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Le Monde Afrique

Editorial

Published in Le Monde Afrique on August 24, 2016

Africa wants its own, West-free, path to development

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At the 27th summit of the African Union (AU), which took place in Kigali on the 17th and 18th of July, as a first, the AU invited none of its partners: France, the United States, the United Kingdom, China, the European Union, had to read the press… This was neither an oversight nor an anecdotal absence, but another sign that Africa intends to gather together to work towards its economic sovereignty.

Indeed, there are two opposing visions for the future of the continent, of which, the rather foreign one is increasingly rejected.

The illusion of natural resources

During the past decade when the developed world witnessed Africa's substantial growth, the first of these visions emphasized the transformation by the continent of its natural resources and then the export of these processed materials as an engine for development.
Despite its appearances of benevolence, of a conceded take on localizing added value, of acknowledgement in hushed tones of decades of policies of export of raw materials, this vision actually remains an approach of "improved" international trade. It continues to be conceptualized by and for the global market, not connected to or imposing itself on national plans. This vision has many supporters in the North. They see in it a good market for their industrial technologies and skillset, as well as a response to "Chinafrique" (China's Africa policy) and its' premise of "raw materials for infrastructure".

Biographie

► **Joël Ruet, Economist with CNRS and Chairman of The Bridge Tank**

Specialist of Emerging Economies, Joël Ruet was Alumni of Ecole des mines, Paris & London School of Economics. He has lived in Paris, Cairo, New Delhi, Bombay, London, Beijing and Dakar. Joël Ruet is an expert in renewable energy & nuclear, automotive, agriculture and mining industries on India, China, Africa. He contributes as scientific coordinator to the « Global Vision Program » initiative for Sustainable Mobility Initiative between Fondation Renault & ParisTech « Grandes Ecoles ». He has been invited as an expert in public policy discussions by several administrations in France, Cina, India and several countries in Africa.

As part of his continued efforts to inform public policy economic reforms he has volunteered as an adviser to several Ministers, and joined campaign teams of presidential candidates. In his personal capacity, he has been consulted by C-suite teams in Fortune 500 companies, Investment funds and International Agencies

African leaders consider this vision "necessary but insufficient". This strategy, if developed alone, would not include the rest of the national economy in countries that are facing a demographic boom, it would miss the revolution of information technology and the transformation of the countryside would be too slow. This vision is similar to Algeria's -a nearly failed state-, it wasn't as swift as expected in Gabon, it exposed the fragility of petro-dependent countries such as Angola or pre-2015 election Nigeria when the collapse in oil prices negated the effects of an otherwise vibrant entrepreneurship.

Rwanda, an incubator for new technologies

The "Agenda 2063" adopted in 2013 by the Heads of State of the African Union on the occasion of 50 years of the organisation, rests on internal economic diversification via eight pillars that each mobilise "all segments of African society to work together".

It explicitly leans on the results of a preceding purely African experience: the New Partnership for Africa's Development (NEPAD). This is not a coincidence: its first proponents are countries with few or no natural, oil or mineral resources, like Ethiopia, which has been industrializing for a decade, or Rwanda which is transforming itself into an incubator for innovative technologies for the continent.

In Nigeria, the new President Muhammadu Buhari has for his part launched a budget focused on economic diversification, from industry to services, to break oil-dependency. Once the largest economy on the continent, the country, which principally relies on its oil revenues, saw its GDP fall from more than 6% in 2014, to less than 3% in 2015. With Nigeria, this vision just gained an important recruit.

East African models

Transformation of natural resources is a must but not an end: if Nigeria would start but limit itself to transform its own natural resources, they would still be too price-volatile an economic base. The country incidentally asked international consultants to draft the report "Looking beyond oil". The goal? To become the tenth world economy in 2050 with a GDP of 6 300 billion dollars and a growth rate of 6.6%. The stakeholders? Entrepreneurs, and 70 future champions spread over 18 industries, a model inspired by the Asian "tigers". It is this second track that was approved during the Kigali summit. The continent wants to move from plans to implementation in the wake of these three countries.

The path was cleared by the advancing East Africa": Kenya, Rwanda and Tanzania have prioritized services, telecommunications, and renewable energies, putting these sectors at the service of rural development and integration. On this last point, Nigeria can and must improve. This large federal country has powerful local states and corruption remains prevalent. The new government's approach is still a wager which should be followed by results to avoid stopping midstream.

It is understandable that, to set this important course in a complex international context, African leaders of this second track preferred to talk to each other frankly, and thus among themselves, in Kigali.

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