

African Politics and Policy

Newsletter
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Editorial

Governance, as Daniel Kaufmann and his colleagues, repeatedly underlined is a multifaceted phenomenon that can be assessed on the basis of political stability, ability to control corruption, accountability, rule of law and the quality of the regulatory framework.

Various studies, including the ones produced by Kaufmann and his colleagues, have consistently shown that good governance yields substantial developmental dividends.

Countries that are more stable, have lower levels of corruption and have a better track record in terms of rule of law are more socio-economically developed than countries characterized by instability and high levels of corruption.

The developmental costs of poor governance are explained by the fact that corruption and instability are believed to deter investments, slow down economic growth, and prevent countries from developing.

When we focus on Africa, however, we find that foreign investors are not deterred by low levels of good governance however measured. For instance, as the scatterplot reveals, the volume of foreign direct investments does not seem to be affected by the stability/instability displayed by African countries. This phenomenon can be explained very easily. African countries are resource rich and investors invest in these countries regardless of whether and how much they are unstable or corrupt.

The results of this analysis should not persuade African leaders that political instability is something they can live with. It is not. Political instability ultimately disrupt the functioning of the economic system and may have a devastating impact on the life of individuals and social groups.

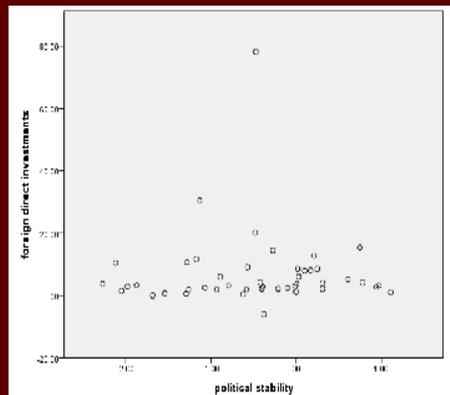
The case of South Sudan is emblematic. Political instability, as evidenced by the escalation of violence in the country has disrupted the functioning of the local economy. Most of the oil wells in the country are no longer operational and the production of food had literally collapsed. Thousands of people have lost their lives, millions of people have fled, and those who are left behind face food shortages and famine.

The evidence from South Sudan teaches us a valuable lesson: African countries need political stability to be able to develop. Without political stability, it is not possible to make any progress along the developmental path.

Riccardo Pelizzo

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RATINGS

The rating agency Fitch assigned a score of BBB to the Banque Ouest Africaine de Developoement (BOAD). BOAD, headquartered in Lome (Togo), is believed to have a stable outlook as it has a better capitalization and better debt levels than other financial institutions. Analysts also noted that BOAD is unlikely to be affected by the possible devaluation of the CFA Franc.

Towards the Tanzanian Elections

Tanzania is bracing itself for general election this coming October. The buzz surrounding this election is unlike none that we have seen since the introduction of multiparty system in 1992. The reason behind this is twofold. Firstly, this time around all the major opposition political parties in Tanzania have decided to collectively pick one presidential and parliamentary candidates under the umbrella of UKAWA (the Union of Tanzania's Constitution) which was birthed following the botched attempt to surgically amend Tanzania's constitution late last year. Ironically though, the battle for presidency is thus far more fierce than usual as a lot of political aspirants, particularly for presidency, have come forth within the ruling Chama Cha Mapinduzi (CCM) Party which has been in power since independence.

While many still question the sustainability of UKAWA, so far there has been nothing to suggest the demise of the union. If everything stands as it is, one expects that the opposition is going to have a better chance of winning the forthcoming general elections having joined forces for the very first time in the past two decades of multiparty democracy in Tanzania.

However, it is the drama unfolding within the ruling party that has given life to the preparations of forthcoming elections. Indeed, there has been unprecedented number of presidential aspirants coming out of the ruling party. So far, 35 cadres, 12 of which are incumbent cabinet members, from the ruling CCM have officially indicated their ambitions to be considered by their party as their flag bearer. The number could still rise as the deadline for obtaining aspiration forms from the party is not yet over. This number which is perhaps ridiculously too high has sent various messages to masses in Tanzania. Indeed, on the one hand, there are people who welcome the move as 'a sign of democratic maturity within CCM'. This, they say, 'shows how far the party has come of age'.

On the other hand, pessimists contend that the majority of the so called aspirants only seek to get free publicity rather than believing that they stand a chance to be hand-picked by their party as their presidential candidate. Individuals who follow this line of thinking see most aspirants as people who want to position themselves as political powerhouses and wish to be considered for some form of government post in the forthcoming government should CCM win the election.

Yet strong rumors have it that the many as-

pirants are strategically placed to deal with the Honorable Edward Lowassa who is perhaps the most powerful albeit unwanted aspirant within the ruling party. It is expected that most of the aspirants will eventually drop their bids to stand for presidency in favor of one individual who can rival Honorable Lowassa. This not-so-wanted individual, who is loaded with cash and political capital given his experience in Tanzanian politics having served in various ministerial positions including serving as a prime minister for three years, is said to be a nuisance in the party. This is because; the individual carries with him corruption and so many other scandals so much so that many in CCM believe that it will be politically suicidal for the party to pick him as a flag bearer. His so called shaky relationship with the outgoing president is also said to be another huddle as many believe that the individual will especially "deal" with the incumbent president should he eventually become the president of the United Republic of Tanzania having been reluctantly forced to disgracefully resign as a prime minister back in 2008.

It remains to be seen what will happen should the Honorable Lowassa fail in his bid to be picked as CCM's presidential candidate. Some believe that he is prepared to jump ship and stand for the same in an unspecified opposition party. Yet others think that he will stick to the party and make sure that whoever is picked by his party is severely undermined so as to prove a point. This of course does not rule out the fact that Honorable Lowassa may yet get to be picked as a flag bearer for the ruling party. However, such a move may have significant consequences on the party given the perceived scandalous past of the politician in question.

Whatever the outcome may be, there are all indications that CCM is for the very first time going to face political battles both from outside and within the party. This may result in overall improvement in the number of parliamentary seats won by the now united opposition and perhaps in the first power alternation in Tanzanian democratic history. While the latter is a big call to make, the former is a realistic expectation. Should that happen Tanzania will have more opposition MPs in parliament something that may enhance governance and ultimately economic growth and development in the country. From a non-partisan point of view, this would be the best possible outcome from the forthcoming general elections as it will likely propel Tanzania to a much better future.

Abel Kinyondo and Riccardo Pelizzo



Tourism in East Africa

Tourism is believed to be one of the possible drivers of economic growth in Africa. It is expected to create employment opportunities, to contribute to the reduction of poverty and to create the conditions for socio-economic development.

Given the importance that tourism may have for the continent, several efforts are being made to promote tourism.

In Kenya 5.2 billion Shilling were allocated to relaunch the tourism sector.

In Rwanda efforts are made to promote cultural tourism, while in Tanzania authorities organized the Kilimanjaro International Tourism and Industry Fair with the hope to promote tourism and investments in the country.

Togolese elites' perception of foreign powers

We conducted a small survey among Togolese university students. The Survey was conducted with a very small sample to gather information about Togolese elites or perspective Togolese elites' perception of foreign countries influence in the region.

Eighty percent were Togolese, while the remaining 20 per cent were foreigners. Seventy-five per cent of the Togolese respondents were from the Maritime region while the remaining 25 per cent were from Kara region.

Respondents were asked to indicate which country they believe exercises the greatest influence on Africa. France is believed to be the country with the greatest influence on Africa by 60 per cent of the respondents, while China and South Africa were believed to be the country with the greatest influence by respectively 20 per cent of the respondents.

Respondents were also asked to indicate whether the country with the greatest influence on Africa does more good or more harm to the African continent. Interestingly while the respondents who identified China or South Africa as the most country exercising the greatest influence on the region believe this country to do more good than harm, the respondents who identify France as the most influential power agreed that France does more harm than good to the region.

We conducted a small elite survey to gather information on Togolese elites' perception of regional and international power.

The data analysis reveals a sharp contrast in the way in which Togo-

lese perceive European and Asian actors.

A majority of respondents believe that France is the country that has the greatest influence in the African continent and all of the respondents agreed that such influence is harmful to Africa.

When asked to assess the influence of China, however, respondents provided a very different set of responses. Eighty percent of the respondents believes that China does more good than harm to Africa.

Forty percent of them believe China to have little influence on Togo, twenty percent indicated that China has some influence on Togo, while forty percent of the respondents suggested that China exercises a lot of influence on Togo.

When asked whether China's influence is beneficial or not, 40 per cent of the respondents indicated that China's influence is positive, 40 per cent indicated that it is neither positive nor negative and only 20 per cent viewed China's influence as negative for Togo—a sharp contrast to the way in which French influence is perceived to affect the country and the region. Interestingly, half of the respondents noted that while China's influence is beneficial in the short term, it is negative in the long run.

Romualda Stormy

The scholars' corner

In a paper to be presented at the International Conference of Public Policy, Yu-wen Julie Chen and Niall Duggan argue that while relationships between China and African countries have intensified over the years, it is not always clear whether and to what extent African countries benefit from this growing interconnectedness. Much less clear is how Africans view China's growing presence and influence in the continent.

The paper, entitled "Opportunities and Challenges emerging from the Rise of China: An African Perspective" will be presented on July 3, in Milan, in a panel devoted to exploring challenges and opportunities for policy making in Africa.

Collaborators

of the Newsletter of African Politics and Policy

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Conference Information

International Conference on Public Policy.

Policy making between challenges and opportunities: An African Perspective, Milan, July 3, 2015, 8.30-10.30 (Gemelli G113)

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