

African Politics and Policy

Newsletter
n.7, October 2015

Editorial

In the first editorial of the APP Newsletter, we noted that after 14 years of rapid growth that had allowed several African nations to make considerable progress along the developmental path, Africa's economic growth was confronted with three potential obstacles: pandemics such as Ebola which took a heavy toll on several Western African nations; falling oil price which could take a heavy toll on the economies of all the oil producing countries in the continent and political instability, which could disrupt the functioning of domestic economies.

Few days ago, the International Monetary Fund (IMF) released its most recent World Economic Outlook (October 2015). The data presented in this document are, unfortunately, consistent with our expectations namely that pandemics, oil prices and instability may have a detrimental impact on economic growth.

The GDP of Ebola-affected countries are expected to experience either no growth, as in the case of Guinea (+ 0.0%) and Liberia (0.9%) or a marked decline as in the case of Sierra Leone (-23.9%). Politically unstable countries are expected to pay the price of political instability: the economy is expected to shrink by 5.3 per cent in South Sudan and by 7.2 per cent in Burundi. Decline in oil price also had a detrimental impact on African economies in the sense that it slowed the pace at which the economies of oil producing countries were growing. In Nigeria economic growth slowed down from 6.3 per cent in 2014 to 4.0 per cent in 2015, while in Angola economic growth is expected to slow by 1.3 per cent, from a growth rate of 4.8 per cent in 2014 to 3.5 per cent in 2015.

While this evidence sustains some of the claims previously advanced by African Politics and Policy, it shows quite clearly that securing political stability and healthier and longer lives in the continent, are two essential prerequisites for ensuring that Africa achieves in the coming years its ambitious developmental objectives.

Riccardo Pelizzo

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IN THE NEWS

The government of **Kenya** announced that it will provide compensation for post-electoral violence. In **South Sudan**, authorities have violated the agreement to bring the civil war to an end. Presidential elections went smoothly in **Guinea**.

WATER

Water may soon be an even bigger problem for Africa. As a result of global warming, the Horn of Africa is expected to experience a decrease in rainfall and become drier. Change in the levels of rainfall are already evident in Zimbabwe where water levels in Lake Kariba are low and the Victoria Falls are half dry. Recent reports have indicated that water could be problematic in the region for a radically different reason. Due to poor planning and lack of maintenance, the Kariba dam may collapse putting at risk the live of 3.5 million people.

Migration: causes and solutions

By Michele Croce

The exodus from the African continent is an exodus of biblical proportions. The slave trade lasted 355 years from between 1501 to 1866, when it was finally outlawed, (<http://www.slavevoyages.org/tast/assessment/estimates.faces>). In these 355 years about 12 million Africans were deported from Africa to the Americas with an annual average of slightly less than 34,000 people. In the first six months of this year, according to UNHCR (<http://www.ilfattoquotidiano.it/2015/07/01/migranti-unhcr-137-000-verso-leuropa-in-prima-meta-2015-e-record/1832193/>), African refugees who crossed the Mediterranean in search of a better life was about 137,000 people, four times the number of slaves who were brought to the Americas each year.

It is a flood that has few equals in the history of humankind, that has a high costs in human lives, and that may not be ultimately good for Africa (<http://www.africanpoliticsandpolicy.com/?p=376>).

Why are so many Africans fleeing from Africa? For three basic reasons.

First, to escape the violence perpetrated by terrorist groups such as Boko Haram in Nigeria, al Shabaab in Somalia and Ansar Dine and other jihadist groups in Mali. Second, to escape the tensions, violence, or real civil war that pits opposing political groups against one another as in the case of Burundi, the Central African Republic and South Sudan.

Third, to escape from poverty and, worst of all, hunger.

The real solution for this mass migration from Africa to Europe is to stamp out the scourge of terrorism, to strengthen political institutions and the principles of good governance, and to prevent food crises that are sometimes the result of political conflicts as in the case of South Sudan and in other cases are the result of bad policy making.

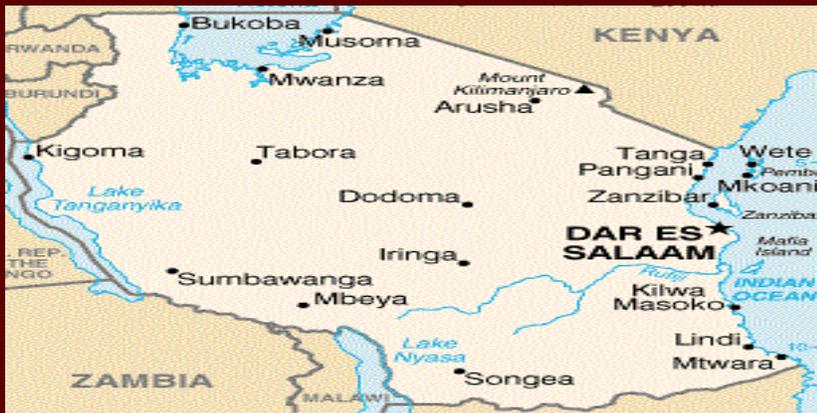
If the European institutions, international organizations, and developed countries helped African countries to perform these three tasks, the causes of this biblical exodus would be eliminated, migration would be discontinued and we could put an end to this horrific series of tragedies in which thousands of refugees have died.

Michele Croce



Weak currencies and foreign reserves in East Africa

From the beginning of the year, the governments of Kenya, Tanzania and Uganda have spent a combined 1.2 billion US dollars to support their currencies that are rapidly devaluating against the US dollar. In the face of a 23 per cent devaluation against the US dollar, the Tanzanian authorities have spent 532.1 million US dollars, while Kenyan and Ugandan authorities have spent respectively 471.9 and 300.1 million US dollars. In Kenya, where balance of payments has worsened, foreign reserves have declined from \$ 7.43 billion in July to \$ 6.39 billion at the end of August to \$ 6.18 billion at the end of last week. This change amounts to a 16.8 per cent decline. A similar trend can be observed in Uganda where foreign reserves has declined by more than 11 per cent.



The road to the 2015 Tanzanian Elections

On October 25, 2015 Tanzanian voters will go to the polls in what observers regard as the most competitive elections since the reintroduction of multi-party politics in 1992. The Chama Cha Mapinduzi (CCM) won each of the previous four elections with a comfortable margin. CCM's Presidential candidate won 61.8 per cent of the vote in 1995, 71.7 per cent in 2000, 69.99 per cent in 2005 and 62.83 per cent of the vote in 2010. CCM outperformed the most competitive opponent by 34.1 per cent in 1995, by 55.5 per cent in 2000 (when CUF received 16.2 per cent of the vote), by 55.7 per cent in 2005 and by 35.8 per cent in 2010 when Chadema won slightly more than 27 per cent.

Looking at Tanzania from afar, there were not many reasons to believe that the 2015 would be more competitive than previous one. The economy has done well growing on average by 6.8 per cent a year in the 2011-2014 period, several institutions enjoy high level of trust/legitimacy, and 66 per cent of the voters – if Afrobarometer data are correct – reported to have some or a great deal of trust for CCM. Hence, there was little indication that the upcoming elections would be different from the previous.

Yet, a series of unexpected events, from the infighting to the defections within the ruling party (but also in the opposition), managed to turn what could have been another uncompetitive election into a potentially competitive one.

In less than two weeks, it will be clear whether and to what extent these elections will be a turning point in Tanzania's electoral history.

Abel Kinyondo, REPOA

Riccardo Pelizzo, NU GSPP

Governance in Africa

The analysis of the 2011-2014 data reveals that Africa has not achieved much improvements in terms of governance. Yet, while the aggregate picture does not signal much improvements, the report just released indicates that some countries (Ivory Coast, Togo) have experienced significant improvement, others have experienced minor improvements, other still suffered a slight worsening in terms of governance, while other suffered major setbacks (South Sudan). More details can be found here: <http://allafrica.com/stories/201510050437.html>

In the light the wave of instability that crossed the continent in 2015, it remains to be seen whether the overall levels of governance in Africa will be as good next years as they were in the report recently released.

Problems in Kenyan higher education

The number of universities in the country as well as the number of students enrolled in university programs has increased, yet universities in the country face a lot of problems. Faculty and staff are poorly paid and they are often demoralized. Facilities are often inadequate and there is poor planning. For instance, as noted in this editorial (<http://allafrica.com/stories/201510030216.html>) universities “introduce courses they lack the capacity to offer”. As a result, the article laments, Kenyan universities do not do well in the international rankings (<http://www.africanpoliticsandpolicy.com/?p=316>)



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Conference Call

Lome, Togo

2nd ATAF International Conference on Tax

GIZ Events

October 15, 2015

Dakar, Senegal

Official opening ceremony of the 1st Francophone Executive Master's in Taxation programme (Le Master Exécutif en Fiscalité pour l'Afrique Francophone)

October 20-23, 2015

N'Djamena, Chad

7th General Assembly of CREFIAF

(7ème Assemblée Générale Ordinaire du CREFIAF)

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