

African Politics and Policy

Newsletter
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Editorial

Analysts and international organizations expect African economies to experience a higher rate of growth than they did in the previous year. Only time will tell, of course, whether and to what extent such predictions are accurate or not.

What it is easier to predict is that the factors that undermined the economic performance of African countries in 2015 are the same ones that, in all likelihood, may be expected to undermine economic performance in 2016.

The previous year ended with some relatively good news: Guinea, Sierra Leone and Liberia were finally free from Ebola. Hence, there is reason to hope that in 2016 Africa may not experience the kind of epidemics that in 2015 took such a heavy toll in human and economic terms.

Yet, Africa is still confronted with two problems that it had last year: low commodity prices and instability may prevent African governments from successfully implementing their developmental strategies.

While the price of commodities is decided by the market and is, therefore, well beyond governments' reach, there is something that African governments can do to secure the well-being of their citizens: they should take concrete steps towards stabilizing their respective countries.

Without political stability, countries in the region cannot sustain economic growth and develop.

Riccardo Pelizzo

this issue

New from Uganda P.1
On the value of culture P.2
Which way forward? P.3
Announcements P.4

Tourism in Uganda

In Uganda the tourism revenue dropped significantly in 2015. The problem is partially due to the fact that the quality of local infrastructures needs to be improved. The performance of the tourism industry is inconsistent with its performance in the rest of the continent which welcomes on average more than 30 million tourists every year.

Uganda

While the media complain about intimidation and the fact that the government is attempting to constrain free speech, analysts agree that order and stability may give President Museveni an edge in the Presidential elections.

Culture is the key

By Riccardo Pelizzo

While the Western world has long been fascinated by African art and organized countless exhibitions to celebrate it, the last few months have witnessed an African art revival in the African continent.

Africa seems to be rediscovering its art, its roots, its tradition and its culture. Ethiopia is in the process of setting up an institution to support and promote the arts, Kenya is celebrating its theater, and Zimbabwe is promoting the professionalization of young Artists. Furthermore, while Mauritius aims to become of the world leading cultural centers by celebrating its cultural diversity and in Rwanda some military colleges have introduced culture day as part of their military training curriculum.

The renewed interest in the arts and culture is due to three sets of reasons. The first reason is that some policy makers, as the case of Botswana illustrates, believe that the arts –from fine arts to visual arts- could provide a direct stimulus to economic growth and development. Hence, in this line of thinking economic growth and be sustained and the process of development can be promoted by valuing the cultural industry in its various manifestations.

The second reason is that other policy makers, from Ethiopia to Mauritius, believe that art and culture may be or may provide an indirect stimulus to economic growth and development. In this line of

thinking, valuing local art and cultural tradition could stimulate the growth of the tourism industry which, in its turn, could stimulate economic growth and speed up the process of socio-economic development.

The third reason is that some policy makers believe that art and culture can play an important political and policy function. Prominent political figures in Angola and the Gambia have unequivocally stated that art and culture are essential for understanding one's roots, values, and tradition and, therefore, for shaping and consolidating one's identity. At the same time various African institutions, such as the military colleges in Rwanda, have recognized that in a world in which conflict often occurs along cultural lines, culture can provide guidance in the realm of security policy.

The African debates on the role of the arts and culture are interesting not only because they show that there is an increasing attention to culture in the continent, that there is a new, culture-based approach to development and security, but also because they that Africa may be exploring a model that other developing nations may wish to include in their respective development strategies.

Riccardo Pelizzo

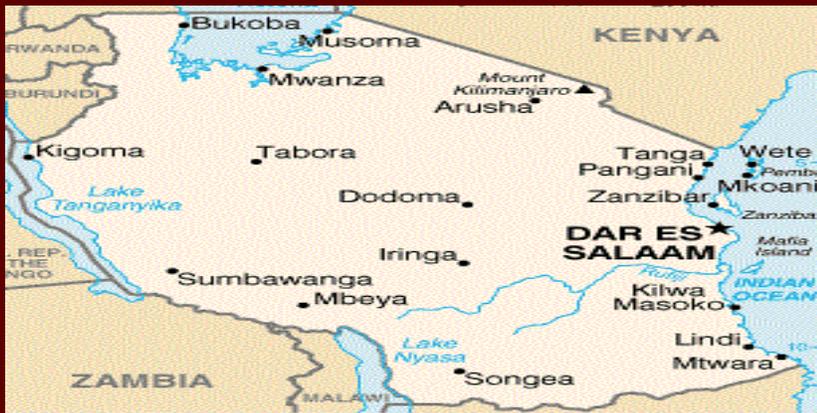


Going back to the land?

While international observers, analysts and practitioners believe that industrialization could provide the conditions for sustained growth and development in Africa, several Africans hold a different view.

Commenting on a televised speech by prophet TB Joshua, many African identified efforts to industrialize, attract international aid and foreign direct investments as misplaced priorities and as the main cause of the continent's socio-economic troubles.

For these readers, going back to the land and properly developing the agricultural sector is the most appropriate way to secure the socio-economic development and the well-being of African people and societies.



Tourism in Kenya

President Uhuru Kenyatta has taken various steps to stimulate the tourism industry in Kenya. He opened a marina in Mombasa, gave incentives to charter flights, waived visa fees for young travelers (below the age of 16) and encouraged national parks to reduce the entry fees.

These are wonderful measures, but whether they will be able to boost the tourism industry or not is an entirely different story.

The main reason why tourists have become less inclined to travel to Kenya is that they believe that the level of security in the coastal part of the country is not adequate. For the past couple of years, in which the Kenyan tourism sector has experienced a major contraction, security has been the single most important problem for the tourism industry. Tackling insecurity should be the government's first priority. Tourists and travelers want many of the services that Kenya has to offer, but they want above all security. If the Kenyan government is not able to reassure them, coping with declining tourism will become increasingly harder.

Which way forward?

In a recent article on what Africa should do to cope with the fall in global demand for commodities, Carlo Lopes argued that the solution is commodity-based industrialization. This solution, advocated by the Economic Commission for Africa, calls for “an industrialization policy that leverages the continent’s abundant resources and changing organization of global production process. This entails adding value to commodities, improving its backward integration, and expanding global value chain linkages to other areas of the economy. Apart from providing employment, income, price and non-price benefits, African countries, by adding value to their raw materials locally, could also bring about diversification of technological capabilities, an expanded skills base, and deepening of individual countries’ industrial structures.”

Lopes also suggested that to achieve all these results it is necessary to create a commodity index that provides an indication of the role that commodities play in countries’ GDP.

While creating an index may represent an interesting academic exercise, it is not clear how an index could drive industrialization. But this is not the most problematic aspect of the article. The article argues that global demand for

commodities has declined, that African countries should industrialize and add value to commodities, and export value-added products and commodities. The approach is valuable provided that the global demand for value added commodities has not decreased, otherwise a decrease in the global demand for such goods would depress African value-added exports just as much as it depressed the export of commodities.

And the industrialization advocated by Lopes would be useless waste of economic resources which is precisely not what African countries need at this point in time.

Growth Forecasts for Zimbabwe

In spite of Zimbabwe’s finance minister’s indication that the economy will grow by 2.7 per cent in 2016, analysts suggest that Zimbabwe will experience little to no economic growth.

Unemployment, which has increased over the past 12 months, is expected to grow and the deals with China have yet to deliver any meaningful economic and developmental results.



Job Openings

The GIGA German Institute of Global and Area Studies / Leibniz-Institut für Globale und Regionale Studien invites applications from **Prospective Doctoral Students (Ref.-No. GIGA-16-01)** to join the programme on 1 October 2016

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African Art Exhibition

From September 16, 2015 to September 11, 2015 the Smithsonian National Museum of African Art hosts the exhibition 'Artists' Books and Africa'. The exhibition displays books by African artists and/or books about Africa.

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