

## A breakthrough for Africa

According to Africa Monitor's latest Development Support Monitor study, the continent is on the brink of a major development breakthrough; a momentum that is well-merited and anchored in solid foundations sufficient enough to carry the continent forward at a necessary pace.

Speaking at the launch of the Development Support Monitor (DSM) study in Sandton, Johannesburg, South Africa yesterday, 9 November 2011, Archbishop Njongonkulu Ndungane, president of African Monitor, said that such optimism could be described as a new dawn or as Africa's moment.

The Archbishop raised a real concern about whether the opportunities that Africa has, will eventually lead to significant developments of the continent.

Quoting from the study, he said, "There is strong evidence suggesting that Africa is at risk of missing the current opportunity because of factors such as continued lack of participation of the poor in decisions affecting them, increasing inequality between the rich and the poor and the exclusion of grassroots communities from economic participation."

### Recording governments commitments

DSM keeps a record of commitments made by African governments and their development partners. Its main purpose is to promote greater accountability by making the commitments more widely known through assessing the extent to which these commitments are being met as well as the impact on the relevant communities.

According to the study, there are indications that the growth recorded in the past decade could be another economic blip generated by exogenous factors such as the commodity boom and international trade.

"The sustainability of the economic performance will largely depend on the extent to which it is broad-based and inclusive. A number of structural failures characterise Africa's economies," says the study.

By structural failures, the study means the struggle to convert Africa's demographic advantage into a dynamic economic force, and programmes that generate growth in agriculture and the informal sectors, which together support more than 80% of the continent's population.

### Predictions

Nonetheless, the African Monitor study predicts that over the next five years, Africa is likely to take the lead and outpace Asia following an unweighted average of countries' growth rates that was virtually identical in Africa and Asia in the last decade.

"Leading African development institutions such as the African Union and the African Development Bank have argued that the African moment is imminent and that this is not going to be yet another false dawn, as was the case in the 1970s," the study says.

### Africa has progressed

It maintains that there is enough evidence to suggest that this optimism is merited and that in the last decade, Africa has made encouraging progress in economic and social development, peace and security as well as democratisation and governance.

"The Sub-Saharan African economy has been growing by an average of 5.4% per annum between 2001 and 2008. During the height of the financial crisis, the region was able to record a 2.8% growth rate in 2009, whereas in 2010 it picked up momentum and recorded growth of 4.9%."

The study projects that the Sub-Saharan African economy will increase by 5.5% in 2011, while the trend is expected to continue to 2015.

"The sustained growth rate recorded for the period 2001 to 2008 indicates an end of two decades of stagnation," it says. "African growth rates, since the 1960s show a growth pattern, starting with a good performance in the 1960s and falling steadily throughout the 1990's and rebounding strongly in 1994."

Africa's promising growth outlook is based on a number of growth drivers, ranging from the continent's enormous natural resources, the fastest-growing mobile telecom market, significant agricultural potential, large banking potential, a rising middle class and increasing investment in infrastructure.

Archbishop Ndungane says, "The progress is not limited to economic growth only, but also to trade and investments which have doubled. School enrolments are rising and health indicators are improving. The share of people living in poverty has declined from 59% to 48%."

He also said that there has been apparent progress in ensuring peace and security in Africa, as the number of civil and armed conflicts has declined.

The study highlights that the validity of the recent optimism about Africa's sustained growth path needs to be critically evaluated, because growth patterns in the continent might at best be seen as a recurring pattern where intensive growth or increase in per capita income has occurred several times without significant gain in development.

African Monitor has identified economic services, human development and grassroots participation as critical levers which, if unlocked, will increase the opportunity for grassroots communities to actively participate in their own development.