

Globalization, World Trade Organization and the Challenges of Sustainable Development in Africa

By

J. Shola Omotola and E. Kenneth Enejo

ABSTRACT

The World Trade Organization (WTO) represents a formidable force and engine room driving the current phase of globalization. It was envisaged to tackle issues of strategic importance such as trade and finance for the design and management of the global economy. It was particularly designed to be of vital significance to the domestic development and future options of developing countries including Africa. This paper critically analyses the challenges posed by the WTO for sustainable development in Africa. Focusing on its illusions and realities in the African context, the paper argues that the WTO in its present form and character is nothing more than a neo-colonial design that tends to be hostile to African countries through its contradictions, double standards and pretensions. As such, it has further abetted the continuing marginalization of Africa in global economy. If the WTO must be a positive instrument of sustainable development in Africa, its current form and character must be redressed and a new framework through a democratically designed development pact between the North and the South is in order; in addition to the resolution of the contradictions inherent in African political economy.

INTRODUCTION

Though as old as the history of humanity, globalization in its current waves has become a phenomenon in all ramifications in the discussion of major developmental issues in recent years. It has acquired considerable emotive and evaluative force such that it is being associated, rightly or wrongly, with the development of the advanced northern countries of North America, Western Europe and South-East Asia; and the underdevelopment of countries of the South in the regions of Southern America, Latin

America, Asia and Africa. Consequently, globalization has been portrayed by its proponents as a challenge which the developing world particularly Africa must meet in order to surmount its crisis and contradictions of development and related predicaments. They urge African countries to adjust to rapid globalization of international trading and financial system by increasing their exports and pushing much harder to integrate markets within Africa, lest they suffer risk of marginalization (GCA, 1992).

Global institutions in the globalization process have become increasingly very important in the task of meeting the challenges of sustainable development. Prominent among such institutions are the World Bank, International Monetary Funds (IMF), General Agreement on Tariffs and Trade (GATT) and World Trade Organization (WTO). The general assumption is that if developing countries must reap bountifully from the opportunities offered by globalization, they must be actively dedicated to, and guided by the policy directives of these institutions. Indeed, these institutions and donor states have come to link their development assistance/aid to poor countries to globalizing their economies through the conditionalities prescribed by these "global" institutions (Rizzo, 2002:133; Appia-kubi, 2001:197).

Given the above condition, African Countries have begun to respond to the several challenges of globalization in their own unique ways. These include submission to the policy initiatives of these institutions such as political liberalization (democratization) and economic reform (deregulation), as well as the renewed commitment to African integration through the African Union (Omotola, 2003). How have these measures engender and guarantee sustainable development in Africa? In the attempt to answer this question, the paper shall focus primarily on the WTO. The WTO represents a formidable force and engine room that drives the current phase of globalization. Designed to tackle issues of strategic importance such as trade and finance for the design and management of the global economy, it was particularly envisaged to be of vital significance to the domestic development and future options of the developing countries (Onimode, 2000:184). Its mandate consists of regulating world trade for the benefit of international banks and transnational corporations as well as supervising the enforcement of national trade policies (Aluko, 2004:39).

This paper critically evaluates the globalization phenomenon through the WTO particularly in respect of Africa's participation in the sphere of global trade vis-à-vis the challenges of sustainable development in Africa. The remaining part of the paper begins with the clarification of the central concepts –

globalization and sustainable development used in the paper. Section three assesses how Africa has fared in global trade, while section four identifies the challenges of sustainable development posed by the WTO for Africa. The last part represents the conclusion.

CONCEPTUAL FRAMEWORK

Globalization

The concept of globalization is perhaps today the most recurrent term employed by scholars and world leaders alike to rationalize the development and underdevelopment of the various parts of the world. As a result of this, it has assumed the status of an essentially contested concept and put on the toga of a recurring decimal in the North/South dialogue. While it is used to explain the development of countries in the northern hemisphere it is also employed to rationalize the underdevelopment of countries in the South (Omotola 2003; 2004). It is therefore a concept that means different things to different people and different things to the same people across time and space (Obadan, 2004:3).

Generally globalization encompasses the increasing interaction among persons and institutions across the globe. It refers to the growing interactions in world trade, national and foreign investment, capital markets and the ascribed role of government in national economics (Ojo, 2004: 70; Aluko, 2004: 36). According to Obadan (2004:3) globalization is about increasing interconnectedness and interdependence among the world's regions, nations, governments, business, institutions communities, families and individuals. It fosters the advancement of a "global mentality" and conjures the picture of a borderless world through the use of information technology to create partnership to foster greater financial and economic integration. Globalization is therefore a process hinged on technological advancement that could lead to a greater uniformity in a wide range of aspects broadly related to economic life. One important area is information technology, which facilitates the ease of data communication, and transmission of digital data especially through computers, Internet, E-banking and E-governance (See Akinboyo 2004: 191 – 196; Olayiwola and Ogundiran, 2004:209 – 217; Wade 2000: 374 – 378).

Perhaps, the foregoing underscores the neo-liberal conception of globalization as the ultimate solution to man's crisis of development and related predicaments. Consequently, globalization, as Cooper (2001:

192) has noted, is invoked time again to tell rich countries to roll back the welfare state and poor ones to reduce social expenditure – all in the name of the necessity of competition in a globalized economy. However, there has emerged a contending perspective that challenges the very foundation of the neo-liberal framework. For this view, globalization though full of opportunities has rather been too selective in its reward to mankind. As Jike (2004: 160) contends, globalization is the result of the constriction of time and space in the exchange of goods and services between countries. This narrows the transactional space and increases the intensity of commercial interactions between countries. However, Africa has become a subservient partner in this global exchange relationship. Globalization, like all the preceding ideologically conditioned concepts of the west, connotes unequal relationship between the developed and developing world. Not only has it undermined social projects in developing countries, it has also marginalized political ones. It is therefore an evil that must be fought and conquered. This conception is dominant in Africanist literature that tends to equate globalization with recolonization (See Chimutengwede, 1997; Sundaram, 1991; Aina, 1996; Onimode, 2000; Asobie, 2001; Jike, 2004 etc). For these scholars, globalization is coterminous with what Osterhammel (1997:22) called “imperialism without a major empire”.

As Omotola (2004:3) has pointed out, the implication of the endless debate has been the sharp decline in the analytical utility and generalization capability of the concept of globalization. Cooper (2001:189 – 123) alludes to this point when he raised the important question as to the relevance of the concept of globalizations to the understanding of “the specific mechanisms by which long-distance connections were forged and the limits of those mechanisms.” As he argued further, “globalization talk is influential – and deeply misleading for assuming coherence and direction instead of probing causes and processes”. And for this limitation, “crucial questions do not get asked; about the limit of interconnections, about areas where capital cannot go, and about the specificity of the structures necessary to make connections work”. The failure to ask these questions perhaps explains why specialists on Africa have been drawn into the globalization paradigm, positing globalization as a challenge, which Africa must meet, or else as a construct through which to understand Africa’s place in the world (Cooper, 2001: 190). While capital can come to Africa, the limits of globalization in Africa is best reflected not only by the fact that capital emanating from Africa are restricted in movement, but also by the absence of appropriate structures necessary to make Africa reap the benefit of connections. One of such structures that have been of great disservice to Africa is the WTO.

Flowing from the foregoing, this paper sees globalization as an epochal event/movement of history of imperialism. Viewed from this prism, it is a phenomenon that is as old as history (O'Rourke and Williamson, 1999; Thompson, 1996, Mamdani, 1996). The only thing about it is that in its present manifestation, its exploitative and repressive mechanisms have assumed the dimension of a scourge. As Good and Hughes (2002:40) poignantly assert:

Contemporary globalization has brought into being a new species of 'disordered, anarchic capitalism' very different from both nineteenth – century developmentalism and the stable, managed systems of the post-1945 period. In contemporary systems, the social organization of work is in almost continuous flux, the role of trade unions in production is greatly diminished, job insecurity is in-built and work satisfaction is absent, while the control functions of government are marginalized. Global free markets, Gray adds, favour the worst kind of capitalism.

Sustainable Development

In recent years, the thinking on development has shifted considerably to reflect contemporary challenges and realities. For a very long time, development has been narrowly defined in terms of statistical indices of input and output. Todaro (1985) for example, defines development as “a multidimensional process involving major changes in social structures, popular attitudes and national institutions, as well as the acceleration of economic growth, the reduction of inequality and eradication of absolute poverty” (Cf Lane and Ersson, 1997:19). The renowned political economist, Amartya K. Sen sees it in terms of capacity expansion and freedom (Sen, 1990; 1999). As capacity expansion, it requires adequate empowerment of both state and society to be able to discharge their mutually reinforcing responsibilities so that people can meet the basic necessities of life. As freedom, it demands a great deal of autonomy for the political community as well as the individual members of such communities especially in the area of popular participation (Omotola, 2003).

Be that as it may, a major concern in the recent thinking on development is the issue of sustainability of the basic indices of development such as reduction/eradication of poverty and inequality; capacity expansion, freedom, improved per-capita income and standard of living of the populace. Sustainable development therefore connotes development that endures/lasts; one that will not roll back or recede even in the face of threatening reversal waves. It has been generally seen as development that does not endanger the environment and resources therein for present and future generations. It is self-sustaining

and meets the needs of present and future generation (World Development Report, 1992; Serageldin, 1993; Steer and Luts, 1993).

Sustainable development is multidimensional. It involves environmental, economic and social sustainability. It expresses the relationship among the physical environment, exploitation of resources and economic development integratively rather than in isolation. This explains why the integrated approach to development is considered to be very suitable for pursuing it. This approach seeks to develop all sectors of the rural economy and link them up effectively with their urban counterparts. Put differently, it seeks to promote spatial, social, political, economic and psychological linkages not only among the different sectors but also among the different regions of the national economy. As such, it encourages equitable distribution of wealth rather than merely emphasizing Gross National Product (GNP) alone (Akinbode, 2003: 8).

If development must be managed in such a way that the present generation meets its own needs without compromising the ability of the future generations to meet their own needs, adequate planning and precautionary measures must be taken to ensure effective protection of the various segments of the national economy. The pattern of exploitation of natural resources must be regulated and terms of trade mediated to enhance balance in all international transactions. Since much of the transactions in trade at the international level take place through the WTO, it is important that we examine how the WTO has fared as regards engendering sustainable development in Africa.

WTO AND AFRICA: PATTERNS OF ASYMMETRICAL RELATIONS

The WTO was established in 1995 at the end of the Uruguay Round (of GATT, Multilateral Trade Negotiations MTN's) and ended in Marrakesh in December 1993/1994 (Onimode, 2000:183). Generally, the Uruguay Round Agreement aims at establishing commitment and discipline in three core areas – market access, domestic support and export competition through global commitment towards the issue of tariff and the removal of quantitative import licensing and restrictions, voluntary export restraints (Olomola, 2004: 110). WTO is therefore an institutionalization of the GATT agreement, whose philosophy is anchored on the thinking that an open and liberal trading system underpinned by mutually agreed and legally binding rules is a sure recipe for growth and the foundation of economic

development, expansion of world trade, investment, increased production, job creation and, consequently, an increase in global open trading system based on free market philosophy and poverty reduction (Tule, 2004: 438).

The WTO is no doubt a comprehensive structural design whose mandate covers all important areas of commerce, including agriculture, textile and apparels as well as the service sector. The basic objectives of the WTO, as enshrined in the preamble to the Marrakesh Agreement include:

raising the standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, and expanding the production of, and trade in, goods and services, while allowing for the optional use of the world's resources in accordance with the objective of sustained development, which seeks to protect and preserve the environment and ensure that developing countries, especially the least developed among them, secure a share in the growth in international trade commensurate with their economic development needs (Cf Tule, 2004: 440).

Pursuant to these objectives, WTO is theoretically designed to ensure mutually reinforcing devices that eliminate barriers to trade as well as all sorts of discriminations in the international economic system. Hence, its emphasis on free trade area and the principle of one country one vote (Ndiyo and Ebong, 2004: 576). This is no doubt a very plausible initiative. But how has these lofty goals materialized to the benefit of Africa?

Available evidence reveals that the globalization phenomenon through the WTO has only served to complicate the already precarious position of Africa in the New International Economic Order (NIEO). As Aluko (2004:76) points out, the African continent has suffered, and it is still suffering from the problem of delayed development. The continent and its people have been the victim of exploitation, whether in the form of slavery, colonization, neo-colonization, structural adjustment, international money lending and money – changing or of the ongoing globalization or tradization. V.T. Jike also laments the disheartening condition of Africa when he states that theoretical postulations on the benefits of globalization are rather specious and misleading in the lights of prevailing ignoble economic conditions in Africa, juxtaposed with the rest of the world. For him, African countries are tottering under the weight of adversities stemming from an inequitable and unjust global configuration such that African economies have tragically become junk yard for all sorts of disused and unserviceable items from the west, e.g automobiles (Tokunbo), cloths (Okirika) etc (Jike, 2004: 159 – 60). This is the stark

reality that confronts African countries even as it follows the supposedly redemption path of globalization.

At this juncture, some empirical evidences are deserving. The structure and pattern of world trade flows offers a good starting point. It is such that reflects the double standards, contradictions and lopsidedness inherent in the WTO's regime. The share of developed countries of world trade in primary product, which stood at 38.8 percent in 1985, increased to 45 percent in 2000. In the sphere of manufactures trade based on natural resources, the developed countries also recorded an increase from 60.1 percent in 1985 to 73.4 percent in 2000. They however recorded a decline in manufactures not based on natural resources from 82.5 to 69.2 percent during the same period. But for Africa, the reverse was the case. The share of Sub-Saharan Africa that stood at a ridiculous 5.4 percent in 1985 plummeted to 4.3 percent in 2000 in the area of primarily product. This is particularly worrisome given the fact that primary products constitute the mainstay of African economics. In the area of manufactures based on National Resources, African share declined from 1.7 percent in 1985 to 1.3 percent in 2000. The same trend happened in manufactures not based on natural resources which decline from 0.4 percent in 1985 to 0.2 percent in 2000 (See Table 1).

Table 1: The structure of World Trade in major products, by Regions (Per cent)

	Primary Products		Manufactures Based on Natural Resources		Manufactured not Based on National Resources	
	1985	2000	1985	2000	1985	2000
Developed countries	38.8	45	60.1	73.4	82.5	69.2
Developing countries	61.2	56	29.8	26.6	17.5	30.8
East and South –East Asia	10.4	9.5	8.4	11.7	10.8	22.6
Latin America & Gribbean	12.5	13.2	7	6.5	2.6	4.6
Middle East and North Africa	21.4	20.9	4.9	3.9	0.8	1.1
South Asia	1.2	1.2	0.8	1.4	0.6	1
Sub-Sahara Africa	5.4	4.3	1.7	1.3	0.4	0.2
Source; UNCTAD, 2000 Reproduced in Ojo, 2004:80						

Africa also records a very poor outing in the area of international capital flow. In the global increase that attends worldwide flows of foreign investment by 41 percent from \$478 billion in 1997 to \$694

billion in 1998, and to a record \$1,491 billion in 1999, African share could be said to be negligible. As record has it, about 77 percent of the Foreign Direct Investment (FDI) in 1999 or an estimated \$837 billion took place among industrialized nations, with the largest share in the United Kingdom and United States (Ojo, 2004:81). While the developed economies of Western Europe, North America and others recorded an increase in their share of total world FDI inflow from \$145, 019 million (64.4 percent) in the 1990/95 to \$1,227,476 million (68.4 percent) in 2001; developing countries' share continued to fluctuate Africa for example, which had \$4,320 m (1.9 percent) in 1990/95 witnessed downward trend in 1996 (1.5 percent); 1997 (2.2%); 1998 (1.3%); 1999 (1.2%); 2000 (0.6%); until 2001 when it experienced an increase to 2.3 percent. (See Tables 2a and 2b).

Table 2a: FDI inflows, by Host Region (US \$ million)

Host Region	1990/95	1996	1997	1998	1999	2000	2001
World	225,321	386,140	78,082	694,458	1,088,264	1,491,933	1,491,933
Developed Economies	145,019	219,908	267,947	484,239	837,761	1,227,476	1,227,476
Western Europe	87,383	115,863	137,890	274,739	507,222	832,067	832,067
North America	47,058	94,089	114,925	197,243	307,811	367,529	367,529
South America	10,357	32,232	48,166	51,886	70,880	56,837	56,837
Other Developed Economies	10,578	9,955	15,132	12,257	22,728	27,880	27,880
Developing Economies	74,288	152,685	191,022	187,611	225,140	237,894	237,894
Africa	4,320	5,835	10,744	9,021	2,821	8,694	8,694
North Africa	1,543	1,479	2,607	2,788	4,896	2,904	2,904
Asia and the Pacific	47,710	93,994	105,978	96,386	103,008	133,795	133,795
Asia	47,321	93,331	105,828	96,109	102,779	133,707	133,707
South East and South Asia	44,564	87,843	96,338	86,252	99,990	131,123	131,123
Central and Eastern Europe	6,014	13,547	19,113	22,608	25,363	26,563	26,563
Source: IMF World Investment Report 2002: Transnational Corporations and Export Competitiveness							

Table 2b: FDI inflows, by Host Region (Percent)

Host Region	1990/95	1996	1997	1998	1999	2000	2001
World	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Developed Economies	64.4	56.0	56.0	69.7	77.0	82.3	68.4
Western Europe	38.8	30.0	28.8	39.6	46.6	55.8	45.7
North America	20.9	41.8	51.0	87.5	28.3	24.6	20.7
South America	4.6	8.3	10.1	7.5	6.5	3.8	5.5
Other Developed Economies	4.7	2.6	3.2	1.8	2.1	1.9	2.0
Developing Economies	33.0	39.5	40.0	27.0	20.7	15.0	27.9
Africa	1.9	1.5	2.2	1.3	1.2	0.6	2.3
North Africa	0.7	0.4	0.5	0.4	0.4	0.2	0.7
Other Africa	1.2	1.1	1.7	0.9	0.7	0.4	1.6
Asia and the Pacific	21.2	24.3	22.2	13.0	9.5	9.0	13.9
Asia	21.0	24.2	22.1	13.8	9.4	9.0	13.9
South East and South Asia	19.8	22.7	20.2	12.4	9.2	8.8	12.8
Central and Eastern Europe	2.7	3.5	4.0	3.3	2.3	1.8	3.7
Source: IMF World Investment Report 2002: Transnational Corporations and Export Competitiveness							

Indeed, global capital flows are unevenly distributed between developed and developing countries. In terms of Net private capital flows, Africa's share increased from \$1,287 million in 1990 to \$7,074 million in 2000. While the increase would appear to be a welcome relief, the reverse becomes the case when compared with developments in other regions of the world. East Asia and Pacific improved from \$19,402 million in 1990 to \$65,693 million in 2000. Europe and Central Asia recorded an increase from \$7,692 million in 1990 to \$45,446 million in 2000. The trend is not different as regards FDI during the same period when Africa's share was also deplorable (See Table 3).

Table 3: Distribution of Net Private Capital Flows and FDI (\$million), 1990/2000

	Net Private Capital Flows		Foreign Direct Investment	
	1990	2000	1990	2000
East Asia and Pacific	19,402	65,693	11,135	52,130
Europe and Central Asia	7,692	45,446	1,051	28,495
Latin America & Caribbean	12,630	97,305	8,177	75,088
Middle East & N. America	384	1,074	2,458	1,209
South Asia	2,162	9,254	464	3,093
Sub-Saharan Africa	1,287	7,074	834	6,676
Source: World Bank, 2002, World Development Indicators				

The foregoing corroborates the assertion that “global interdependence is not symmetrical. The south is not an equal partner of the North, but in a position of subordination” (South Commission Report, 1992, Cf Jike, 2004:163). Africa is really the exploited partner in the market place of globalization particularly in the areas of world trade and distribution of income (Aluko, 2004:46). Consequently, the continent has disappointingly become worse-off in almost every facet of development. One particular area of concern is the increasing tide of poverty that has come to envelope the continent. Today, there is a gross insufficiency of income/expenditure/consumption as well as a marked degree of deprivation in the land. From every approach used in designing the poverty line – the minimum acceptable standard of living –, be it food poverty (i.e. food-energy); overall poverty (i.e. cost of basic needs) and arbitrary – choice –of-index approach (Onah, 1996), Africa ranks high on the poverty index.

It is important to note that out of the 21 countries listed as the world poorest countries based on purchasing power parity in 2002, all of them but two are African countries. And of the 21 countries listed as the richest using the same indicator, none is from Africa (See CIA World Fact Book, 2003; Cf Ozughalu and Ajayi, 2004:531). The percentage of population living in absolute poverty by region makes a more shocking revelation. Beginning from the late 80s through the 90s up to 1998, the percentage of Africans living in absolute poverty oscillates between 46.6 percent and 49.7 percent.

Whereas, the highest figure for East Asia and Pacific countries during the same period was 27.6 percent recorded in 1990; Europe and Central Asia was 5.1 percent recorded in 1996 and 1998; Latin America and the Caribbean stood at 16.8 percent recorded in 1990; South East and North Africa's which was 4.3 percent in 1987 dropped to 1.9 percent in 1998. The only region with a similar high percentage was South East Asia with 44.9 percent as the highest in 1987 (See Table 4). Africa performed very dismally in terms of selected social indicators of absolute poverty. By 1998, life expectancy at birth stood at a low 49 and 52 percent for males and females respectively. Television mainlines per 1000 people stood at 14 (See World Bank, 2001).

Table 4: Share of Population Living in Absolute Poverty, by Region, (Percent)

	Percentage of Population Living in Absolute Poverty				
	1987	1990	1993	1996	1998
East Asia and Pacific	26.6	27.6	25.2	14.9	15.3
Europe and Central Asia	0.2	1.6	4.0	5.1	5.1
Latin America & the Caribbean	15.3	16.8	15.3	15.6	15.6
Middle East & North Africa	4.3	2.4	1.9	1.8	1.9
South Asia	44.9	44.0	42.4	42.3	40.0
Sub-Sahara Africa	46.6	47.7	49.7	48.5	46.3
Source: World Bank, 2001					

The deplorable fate of Africa within the global system, despite its involvement in, and adherence to the policy initiatives of the major institutions of globalization, particularly the WTO can be explained. Explanations can be found in both external and internal contradictions. At the external level, one must frown at the contradictory principles and practices of the WTO. While it emphasizes free trade, this would seem like a commitment honoured more in the breach. The Economic Commission for Africa (ECA) has noted “despite the free trade area being championed by the World Trade Organization (WTO), industrialized countries have protected themselves against the most dynamic exports of African countries, particularly, textile and clothing, agriculture, and processed raw materials, to the detriment of Africa.” (ECA, 2000)). This is what Bade Onimode called “free trade rhetoric and protectionist reality in WTO” (Onimode, 2000:195). Quoting Raghavan (1990:92), Onimode asserts:

In... international political and economic relations, there are double standards with glaring inconsistencies between policies preached and practiced. While neoclassical economics and liberalism are thrust on the Third World Countries, government intervention [and protectionism] is growing in the major industrialized countries (Emphasis Onimode's, 2000:195).

The pretensions and double standards of the WTO is also reflected in its "one country, one vote" doctrine. On the surface, it makes the WTO look like a member – driven organization. But in practice, the reverse may be the case. This is because, according to Ndiyo and Ebong (2004:576), “no decision is ever reached by the WTO without prior consultation with the powers that matter-sometimes it is just the USA and European Union (EU); sometimes it is the Quad countries (USA, EU, Japan and Canada”. These Quad countries are reputed for asserting a kind of veto power, like the permanent members of the Security Council of the United Nations (Tandon, 1998:2 cf, Ndiyo and Ebong, 2004:576). These pretensions, contradictions and double standards have served to debase Africa of any strong impact on the WTO and thus its resultant repression and exploitation.

Again, one must not lose sight of the unprepared, sudden and forceful manner in which Africa was incorporated into the global economy. Because of her unpreparedness, it simply lacks the necessary kits to make her an effective player (See Aaron, 2001:19 – 35). One basic requirement for effective participation in the global conurbation is advancement in technology especially in the area of information. Unfortunately, Africa lags behind seriously in this regard (See Akinboyo, 2004: 185 -208; Adavo, 2004: 277-300). This has served to weaken the productive capacity of African economies and had further served to deepen her dependency on foreign capital and technology.

Internally, the crisis of governance is pervasive. Governments and leaders are generally irresponsible to the yearnings of the governed. Julius Ihonvbere laments the state of governance in Africa thus:

It is embarrassing that there is not one African country that you can point to and say: Yes, in this country the structure and operation of governance is excellent; that it is stable, transparent, sensitive, participatory, accountable, and very relevant to the dreams, aspirations, and needs of the vast majority. There is not one African country where you can say the political elite is honest, organized, patriotic, effective, efficient in its callings,

and has a clear and strong commitment to overcoming poverty and underdevelopment... The African elites has turned government into a weapon to punish, impoverish, oppress, harass, intimidate and dehumanize the masses ... It is a continent where government and governance can degenerate into disordered anarchy overnight... The collective failure is evident in anger, hunger, disillusionment, tensions, instability, unemployment, violence, civil wars and massive emigration of young people and old people for foreign land. It is indeed embarrassing and we must learn to speak the truth (Ihonvebere, 2003:2-4).

These aptly capture the internal contradictions inherent in African countries. Given this situation, what are the challenges confronting Africa in her search for sustainable development?

WTO AND THE CHALLENGES OF SUSTAINABLE DEVELOPMENT IN AFRICA

Given the African condition in global trade in this supposedly “golden” era of globalization, Africa must be able to meet some challenges if her pitiable condition must be reversed. Obviously, there is no alternative to her continuing participation in global trade. However, Africa must be prepared to thoroughly engage the neo-liberal framework (open economy) upon which the WTO is built. As history and experience of international economic relations have shown, no country has developed on the platform of an entirely open economy. Even the United States of America, which has suddenly become the principal proponent of open economy, did not develop through the process. It is on record that when the American economy was depressed in the 1930s, President Roosevelt was able to revamp it through state planning and intervention in the form of granting debt relief to farmers and private households and the needy; and also assumed strict supervision of banking, credit and investment. It also issued credit to finance public works and large-scale infrastructural projects. It never allowed anything to be governed by the so-called "invisible hands" or market forces when its economy was in shambles, as do African economies today (See Aluko 2004:63-65). In a related vein, the much-celebrated economic miracle in South-East Asia was not recorded under a free trade system. Rather, there was protectionism in all facet of the economy. But today, the decline in the economic fortunes of the region is, among other things, due to the opening of their economies to free trade (See Mimiko, 1999).

The challenge that confronts Africa here pertains to how to evolve adequate protective policies, without compromising the benefits of the knowledge and opportunities available elsewhere. Whatever the case, Africa must ward off damaging competition from the developed countries. This must be done tactically to avoid a deadly end. But the fact is that Africa is at a different developmental trajectory with the advanced countries and to that extent highly incapacitated to compete favourably with them in an entirely open market. While attempting to strengthen protectionism, she must also strengthen her internal exertions towards development. Here lies the centrality of the need to consolidate the current wave of democratization blowing across the continent as well as the current efforts at building strong regional structures through the African Union (AU) and New Partnership for Africa's Development (NEPAD). Strengthening these institutions afford her better opportunity to bargain from a position of strength at international form.

At the internal level, the crisis of governance that characterizes the continent must be seriously combated if the above option must yield the desired result. Corruption must be tackled head-on through both institutional and legal frameworks as well as civil Society organizations. Governance must be people-driven through the philosophy of popular participation and empowerment. The basic institutions of governance particularly the security forces and public bureaucracy should be reformed and repositioned to meet the challenges of globalization. In short, there is need for good governance at all levels (See Oruba and Awopegba 2004: 388 – 393).

Moreover there is need for advancement in the level of technology across the continent. Information technology has become central to the operations and sustenance of the present age of globalization. It offers the potentials not just to collect, store process and diffuse enormous quantities of information at minimum cost, but also to network, interact and communicate across the world within a short time, making the world to become a "global village". Technology plays an important role in building the Society capability of a Society in terms of the level of general education and technical competence, the commercial, industrial and financial institutions that bear on their abilities to finance and operate modern, large-scale business (Olayiwola and Ogundiran, 2004:210; Akinboyo, 2004:7-8). In view of this importance of technology to the efficient functioning of commercial activities and even electronic governance, Africa must make adequate effort to improve its level of technological development. Such

has the advantage of strengthening her economies in the areas of manufacturing, primary production and global competitiveness.

If these challenges are to be met, Africa must begin a determined struggle for internal autonomy. It must encourage intra-African trade in all sectors of the economy and resist all sorts of dysfunctional economic policies usually package and thrust on African economies. While a position of autarky is obviously dangerous, her involvement in global trade and transactions must never again be conditioned by variables/forces outside the control of the continent such as the WTO. What the continent needs now is redistribution from the developed countries of the world on the basis of a democratically designed development pact (Hoeven 2001:109-117; Grawforch, 2001:261-26).

CONCLUSION

Africa's participation in the international economic system through the WTO has been a major source of disservice to the continent. The inherent contradictions, pretensions and double standards associated with the WTO are glaringly preponderant. While it thrusts a free economic system entirely open to external penetration and competition on the third world including Africa, the advanced countries of the West resort to protective policies where necessary. Through this measure, they have been able to discriminate against African products in terms of free entry to their economies. While they insist that governments in Africa must withdraw from all economic transactions and concentrate on providing an enabling environment for effective functioning of the market forces, they offer subsidies in most sectors of their economies particularly health, education and agriculture. The implication is that African economies are greatly disadvantaged at the level of international competitiveness. Thus, the ridiculous prices of African export products.

While the WTO no doubt offers certain opportunities for sustainable development in Africa, such opportunities can only be ably appropriated if these distortions identified in the WTO are challenged and redressed. The good fight would appear to have begun at the Cancun Conference of the WTO where African countries protested the granting of subsidies to farmers in the developed world. This and related protests should be sustained consistently. But then, it would have been better if African countries had also taken the initiative to restore subsidies in the critical sectors of her economies such as agriculture,

health and education. Africa must also brace up to resolve her excruciating crisis and contradiction of governance as well as her technological barrenness. This can be done if it strengthens new regional initiatives towards good governance and development particularly the AU and NEPAD.

REFERENCES

- Aaron, K.K. (2001) "Playing without the kits: Towards a Beneficial participation of Africa in a Globalized World" *Annals of the Social Science Academy of Nigeria*, No 13, Jan – Dec, pp. 19 – 35.
- Adavo, M.A. (2004) "Trio – imperative for Nigeria's participation in Globalization", in *Globalization and Africa's Economic Development* Selected papers for the 2003 Annual Conference of the Nigerian Economic Society (NES), pp. 277-298.
- Aina, T. (1996) *Globalization and Social Policy in Africa: Issues and Research Direction*, CODESRIA Working paper series Dakar, Senegal, June.
- Akinbode, A. (2003) "The Retardative Impact of Poverty on Development" paper presented at the International Conference on *Rethinking Governance and Development in the 21st Century*, Institute of Governance and Development, Ambrose Alli University, Ekpoma, 25-27 June.
- Akinboyo, L.O. (2004) "Globalization, Information Technology and the Nigerian Financial System", in *Globalization and Africa's Economic Development* Ibadan: NES, pp. 185 – 208.
- Aluko, S. (2004) "Background to Globalization and Africa's Economic Development" in *Globalization and Africa Economic Development*, Ibadan: NES, pp. 35-68.
- Appiah – Kubi, K. (2001) "State – Owned Enterprises and Privatization in Ghana" *The Journal of Modern African Studies*, 39 (2).
- Asobie H.A. (2001) "Globalization: A view from the South," *Annals of Social Science Academy of Nigeria*, No. 13, Jan – Dec.; pp. 1-18
- Chimutengwede, C. (1997) "Pan-Africanism and the Second Liberation of Africa" *CODESRIA Bulletin*, No. 2
- CIA (2003) *The World Fact Book*, Washington, D.C.: CIA
- Cooper, F. (2001) "What is the Concept of Globalization Good For? An African Historian's perspective", *African Affairs*, No. 100.
- Economic Commission of Africa ECA (2000) "Globalization, Regionalism and Africa's

- Development Agenda" *Paper Prepared for UNCTAD X*, Bangkok Thailand.
- Global Coalition for Africa GCA (1992) *GCA: Documents on Development, Democracy and Debt*, Washington GCA.
- Good, K. and Hughes, S. (2002) "Globalization and Diversification: Two cases in Southern Africa" *African Affairs*, No. 101.
- Ihonvbere, J. (2003) "Rethinking Governance and Development in the 21st Century" Keynote Address, International Conference on *Rethinking Governance and Development in the 21st Century*, Institute of Governance and Development, Ambrose Alli University of Ekpoma, 25-27 June.
- IMF World Investment Report (2002) *Transnational Corporation and Export Competitiveness*, Washington; DC: IMF.
- Jike, V.T. (2004) "Globalization and the Crisis of African Development", in *Globalization and Africa's Economic Development*, Ibadan: NES.
- Lane, J.E. and Ersson, S. (1997) *Comparative Political Economy: A Development Approach* London and Washington: Pinter 2nd Edition.
- Mimiko, N.M.O. (1999) *The Korean Economic Phenomenon: Emulation Possibilities for Nigeria*, Akure: J.B.S. Printing and Publishing Company.
- Ndiyo, N.A. and Ebong, F.S. (2004). "The Challenges of Openness in Developing Economies: Some Empirical Lessons from Nigeria" in *Globalization and Africa's Economic Development*, Ibadan: NES, pp.571-598.
- Obadan, M.I (2004) " Globalization and Economic Management in Africa" in *Globalization and Africa's Development* Ibadan: NES, pp. 3-34.
- Ojo, M.O. (2004) "Globalization and Economic Development: International Experiences", in *Globalization and Africa's Economic Development* Ibadan: NES, pp. 69-106.
- Olayiwola, K. and Ogundiran O. (2004) "Positioning Nigeria in the Knowledge Society in a Globalized Era" in *Globalization and Africa's Economic Development* Ibadan: NES, pp. 209 – 234.
- Olomola, P.A. (2004) "Globalization Competition Policy and Economic Development in Sub-Saharan Africa: Opportunities and Challenges", in *Globalization and Africa Economic Development*, Ibadan: NES, pp. 107 –128.
- Omotola J.S. (2004) "Globalization in Poverty: Deregulation of Disempowerment in Nigeria"

- Paper presented at the National Conference on *Deregulation in a Globalization Economy*, Organized by Faculty of Social Sciences, Ambrose Alli, University, Ekpoma, 24 – 26 May.
- (2003) " Globalization, New Regionalism and the Challenge of Development in Africa", Mimeo, Department of Political Science, Kogi State University, Anyigba, Nigeria.
- Onah, F.E. (1996) "Post – Adjustment Policies towards Poverty Alleviation in Nigeria" *Nigerian Journal of Economics and Social Studies (NJESS)*, 38(3).
- Onimode B. (2000) *Africa in the World of the 21st Century*, Ibadan: University of Ibadan Press.
- Oruba, C.O. and Awopegba,, P.O (2004) "The Role of Good Governance in the Development Process in a Globalized World: Challenges for the Nigeria Economy", in *Globalization and Africa's Economic Development* Ibadan: NES, pp. 377 –406.
- Osterhammel, J. (1997) *Colonialism, A Theoretical Overview*, Kingston: Wiener, Princeton and Randle Publishers.
- Ozughalu, U.M. and Ajayi, P.I. (2004) "Absolute Poverty and Globalization: A Correlation of Inequity and Inequality", in *Globalization and Africa's Economic Development*, Ibadan: NES, pp. 509 – 540.
- Raghavan, C. (1990) *Recolonization – GATT, the Uruguay Round and the Third World*, Penang: Third World Network.
- Rizzo, M. (2002) "Being taken for a Ride: Privatization of Dar es Salaam Transport System 1983 – 1998", *Journal of Modern African Studies* 40 (1).
- Sen, A.K. (1990) "Development as Capacity Expansion", in Griffing, K. and Knight, J. (eds) *Human Development and the International Development Strategy for the 1990s* New York: Macmillan.
- (1999) *Development as Freedom*, Oxford: Oxford University Press.
- Serageldin, I (1993) "Making Development Sustainable", *Finance and Development*, 3(4), pp. 6-10
- Steer, A. and Lutz, E. (1993) "Measuring Environmental Sustainable Development" *Finance and Development*, 30 (4).
- Sunderam, J.K. (1997) *Economic Consideration for a Renewed Nationalism*. CODESRIA – SEPHIS Lecture No. 2 Dakar, Senegal.
- Tandan, Y. (1998) "Globalization and Africa's Optins" *AAPS Newsletter*, 3(2) may – August.
- Todaro, M.P. (1989) *Economic Development in the Third World*, New York: Longman.

- Tule, M.K. (2004) "Globalization and Economic Development in West Africa: A Synthesis of Issues" in *Globalization and Africa's Economic Development*, Ibadan: NES pp. 431 – 482.
- UNCTAD (2000) *World Investment Report* Geneva: UNCTAD.
- Wade, R. (2000) "Globalization and its Limits in Art, R.J. and Jervis R. (eds) *International Politics: Enduring Concepts and Contemporary Issues*, New York, England: Longman/Addison Wesley Educational Publisher, pp. 363 – 381.
- World Bank (2002) *World Development Report: Building Institutions for Markets*, New York World Bank and Oxford University Press.
-(2001) *Poverty in the Age of Globalization*, Washington, DC: World Bank.