

# FIFTH ANNUAL IBADAN SUSTAINABLE DEVELOPMENT SUMMIT (ISDS) 2014

Development Models and Strategies  
and Their Impact in Pre-Colonial,  
Colonial and Post-Colonial Africa

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# Introduction (1)

- Objectives:
- Identification/analysis of development models/strategies used in Africa
- evaluation of their impact on development outcomes

## Introduction (2)

- Organization:
- Section 2: evolution of development theory
- Section 3: pre-colonial Africa
- Section 4: Growth Experience, 1960-2000
- Section 5: “Africa Rising
- Section 6: concluding remarks

# Evolution of Development Theory, Strategy and Practice (1)

- Meaning of development
  - Economic growth
  - Societal transformation
- **Types of development**
  - Human development
  - Sustainable development
  - Inclusive growth

- **Evolution of Development Theory, Strategy and Practice(2)**
- **Development Models**
  - Long-Run/Endogenous Growth
- Features of development process
  - structural transformation
  - factor productivity
- Development Strategies
  - Statist vs market-oriented
  - Phases: 1940s -1980; 1980-2000;2000-present

## Pre-Colonial Africa (1)

- conflicting views on key features
- historians vs economists
- political structure
- number/size of “states”/communities
- centralized vs decentralized
- economy
- backward (technology, writing etc)
- subsistence economy? West Africa and land-extensive primary production/external trade

## Pre-Colonial Africa (2)

- slave trade as primary cause of political/  
economic backwardness
- depopulation
- underdeveloped political structures
- “extractive” nature of slave trade

## **Economic Growth Experience, 1960-2000 (1)**

- colonial period (1900-1960)
- foundation for economic growth not laid
- “extractive” nature of colonial rule



## Economic Growth Experience, 1960-2000 (2)

- post-colonial period: 1960-1980
- statist development strategy
- real GDP achieved 2.56-fold increase
- real per capita GDP increased 1.47-fold
- life expectancy at birth increased by 7.8years

## **Economic Growth Experience, 1960-2000 (3)**

- post-colonial period: 1980-2000
- market-oriented development strategy
- real GDP achieved 1.81-fold increase
- real per capita GDP recorded zero growth
- life expectancy at birth increased by 1.7years

## Africa's Growth Tragedy

- Africa's growth tragedy
- occurred 1976-1994 (20 years)
- “tragedy” because other developing countries with similar initial conditions left Africa behind in the growth race

## Explaining the Growth Tragedy

- why the tragedy occurred?
  - conflicting views
- impact of colonial rule?
  - colonial rule was largely “extractive”
  - institutional foundations for economic growth not laid
- impact of development strategy choice?
  - adoption of statist model
  - import-substitution industrialization

# Africa-Rising Hypothesis (1)

- Two Parts
- Current growth phase: 1995-2015
- Unprecedented 20-year annual average growth rate of 5.1%
- Shift to market-oriented development strategy

## Africa-Rising Hypothesis (2)

- Growth with problems: sustainability?
- No structural transformation
- Lack of productivity growth
- inadequate job creation
- Insufficiently inclusive

## Africa-Rising Hypothesis (3)

- current growth phase generates optimism
- Africa as new growth frontier
- growth projections: 2010-2050
- real GDP to rise to \$11.2-\$13 trillion by 2050 from \$1.7 trillion in 2010
- real per capita GDP to rise to \$5,492 by 2050 from \$1,667 in 2010

## Africa-Rising Hypothesis (4)

- basis of projections
- market-oriented development strategy (with increased integration of African economies)
- growth drivers
- increasing population, rapid urbanization, expanding middle class, rising consumer spending



## Africa –Rising Hypothesis (5)

- Features of the growth drivers
- Population
- 920m(2005), 2billion (2010), 1.5billion (2030), more than 2billion (2050)
- young population: share of working-age group in total population to rise from 56%(2010) to 66%(2050) when its size reaches 1.3billion
- Africa's share of the world work force to rise from 13%(2010) to 25%(2050)
- urban population as share of total population will be 60% in 2050

## Africa –Rising Hypothesis (6)

- Realizing Africa's demographic dividend
- health policy and services
- building human capacity of the large working-age population
- accumulation/efficient use of physical capital and infrastructures
- establishment of larger markets

## Conclusion (1)

- development strategy choices have had an impact on African development overtime
- sometimes good, sometimes bad
- other “initial conditions” may have been even more important In terms of impact

## Conclusion (2)

- slave trade in the pre-colonial period
- negative impact on initial conditions and institutional capacity
- colonialism over 1900-1960
- “extractive” policies
- failure to build/strengthen institutional foundations for sustainable economic growth

## **Conclusion (3)**

- going forward
- necessary adjustments to market-oriented development strategy