INTRODUCTION

A CENTURY LOST

One hundred years ago, our trading was limited to the supply of raw materials, mainly gold, timber and cocoa. One hundred years later, our trading consists of raw materials, mainly gold, timber and cocoa. I must admit that Ghana’s path towards self-reliance has not been smooth. I am painfully aware that our past can be characterized by one step forward and two steps backward.


The lack of real economic development in many African countries is due to poor, and sometimes outright irresponsible leadership.

—President Olusegun Obasanjo of Nigeria in an address to the African Ministerial Forum on Integrated Transport in Africa (AMFIT) (This Day, Mar. 11, 2003, web posted).

A. AFRICA’S ECONOMIC COLLAPSE

The twentieth century has been described as a “Lost Century” for Africa. Once a region with rich natural resources, as well as bountiful stores of optimism and hope, the African continent now teeters perilously on the brink of economic disintegration and collapse. Africa’s paradox is stupefying. Its untapped mineral wealth is immense. As an old continent, it is the source of strategic minerals, such as tantalite, vanadium, palladium, uranium, and chromium. It has the bulk of the world’s gold, cobalt, diamonds, and manganese. Compared to the Asian continent, Africa is not overpopulated. Therefore, it “has enormous un-exploited potential in resource-based sectors and in processing and manufacturing. It also has hidden growth reserves in its people—including the potential of its women, who now provide more than half of the region’s labor force” (World Bank 2000, 12).

Yet, paradoxically, a continent with such abundance and potential is inexorably mired in steaming squalor, misery, deprivation, and chaos. The Congo Basin is extremely rich in minerals, but its people are yet to derive any substantial benefit from that wealth. Instead, they have slipped with indecent haste back
to near stone-age existence. Provision of basic social services—such as educa-
tion, health care, sanitation, clean water, and roads—is nonexistent. In the east-
ern part of the Democratic Republic of Congo (DRC), particularly in Goma, there
is no government. Freelance banditry and pillage are the daily fare. No one is in
control of anything—not even rebel groups of their own people. *Lancet*, Britain’s
leading medical journal, reported in a study that, “War-ravaged Congo is suffer-
ing the world’s deadliest medical crisis, with 38,000 people dying each month,
mostly from easily treatable conditions like diarrhea and respiratory infections.
Nearly 4 million people died between 1998 and 2004 alone, an indirect result of
years of fighting that has brought on a collapse of public health services” (*The

When Ghana gained its independence on March 6, 1957, it stood at the same
level of development as South Korea. Both countries had income per capita of
$200. At independence, there was much hope for Ghana. The country’s economic
potential was enormous: rich endowments of minerals (gold, diamonds, bauxite,
manganese); cash crops (cocoa, coffee, kola nuts); and timber. In addition, Ghana
had a well-educated population, a relatively larger professional and educated class
than many other African countries. But fifty years later, South Korea’s income per
capita was about thirty times that of Ghana: $12,200 versus $420. Nigeria also
stood at the same stage of development with South Korea in 1960, but forty years
later, Africa’s most populous nation, seems uncharitably mired in convulsive vio-
lence and grinding poverty with nearly the same per capita income as in 1960—
as if the economy hibernated.

Independence and freedom from colonial rule did not bring the prosperity
promised by the nationalist leaders. Poverty levels instead increased sharply in the
postcolonial period. By the early 1990s, the dreams of many Africans had been
shattered: they were economically worse off than they were at independence
(World Bank 1989, 4). Economic collapse of Africa could have ramifications for
the rest of the world. British Prime Minister Tony Blair cautioned that “the West
could face new terrorist threats unless measures were taken to relieve African
poverty. More [African] states would collapse into anarchy and mayhem,” he
added (*BBC World Service*, Feb. 6, 2002).

On July 8, 2003, the United Nations issued a stern warning about worsening
economic and social conditions in black Africa, just as U.S. President George W.
Bush, began a five-day tour of the continent. In its Human Development Report
(2003), the UN Development Program (UNDP) warned that at the prevailing
rates, black Africa would take another 150 years to reach some of the develop-
ment targets agreed by UN members for 2015.

Unless things improve it will take sub-Saharan Africa until 2129 to
achieve universal primary education, until 2147 to halve extreme poverty
and until 2165 to cut child mortality by two thirds. For hunger no date
can be set because the region’s situation continues to worsen” (*Financial
Times*, July 9, 2003, 1).