# Poverty, Inequality, and Democracy

# GROWTH WITHOUT PROSPERITY IN AFRICA

# Peter Lewis

**Peter Lewis** is director of the African Studies Program at the Johns Hopkins School of Advanced International Studies in Washington, D.C. His most recent book is Growing Apart: Oil, Politics, and Economic Change in Indonesia and Nigeria (2007).

There is a generally recognized link between governance, economic performance, and popular welfare in Africa.<sup>1</sup> Many analysts trace the continent's protracted economic crisis and lagging recovery to the nature of its political regimes. Authoritarian governments have misused public resources, impeded the development of markets, and refrained from providing crucial public goods needed for economic expansion. Analysts of economic failure in the region have emphasized the role of dictatorial leaders and political systems grounded in patronage relations. The depredations of predatory rulers in the Central African Republic, Congo (Kinshasa), Kenya, Liberia, Nigeria, Sierra Leone, and Uganda are well documented. Economic mismanagement and authoritarianism have also been evident in Ethiopia, Ghana, Guinea, Tanzania, Togo, Zambia, and Zimbabwe. A few observers of other regions, notably Asia and Latin America, have proffered the possibility of an "authoritarian advantage" in economic development. In Africa, however, it is difficult to escape the association between nondemocratic rule and economic failure.

Historically, most African regimes have had little accountability to their people, as rulers have maintained political control largely through authoritarian institutions and patron-client networks. In these clientelist systems, leaders enjoy broad latitude in the use of public resources, procuring political support through ad hoc redistribution rather than by furnishing collective goods such as the rule of law, infrastructure, or social services. Authoritarian rulers commonly divert state revenues in order to maintain the support bases of their regimes, and governments serve as gatekeepers for access to resources, jobs, and market opportunities. The result has been economic stagnation, recurring fiscal crises, and deepening poverty in many countries. Under such regimes, the political incentives of elites and the nature of governing institutions undermine the requisites of growth and popular welfare.

The trend toward democratization that swept the African continent in the early 1990s kindled hopes that political reform could lead to economic regeneration. If governments become more accountable, transparent, and rule-driven, it has long been held, they will be inclined to perform better and work toward broad economic improvement as a basis for support. The presumed link between democratic rule and economic growth has several foundations. At the most general level, there is an "elective affinity" between democracy and markets.<sup>2</sup> Both systems rely on open information, freedom of choice, and decentralized decision making. Authoritarian regimes struggle to manage the flow of information and to make the pragmatic decisions needed for a dynamic market economy. Conversely, market systems give rise to demands for information and to assertive social groups that impel governments to relax control. That all the world's mature democracies are also market systems affirms this connection.

Democratic systems also rest on accountability to voters and civic constituencies, thereby reinforcing pressures on leaders to improve the economy and better popular welfare. In a system characterized by regular elections, political competition, civic activism, and independent media, politicians will find stronger incentives to furnish public goods, expand the economy, and enhance citizens' well-being and livelihoods. As Amartya Sen has argued, even in circumstances where government accountability is limited, a relatively open public sphere allowing for the free flow of information and popular discourse makes it difficult for leaders to disregard public welfare entirely or to commit flagrant violations of rights.<sup>3</sup> Public access to information and institutions of accountability drive officials toward better performance in order to ensure their political survival.

A further reason to anticipate improvements in economic management and distribution arises from the sources of democratic transition in Africa.<sup>4</sup> Economic grievances were prominent among the catalysts of popular protest in the late 1980s and early 1990s, as charges of corruption and malfeasance by rulers were levied by virtually all the opposition movements in the region during this period of political ferment.<sup>5</sup> A similar animus was evident during later transitions in Nigeria and Kenya. Although civic activists and political challengers were not wholly focused on economic concerns, the narrative of deprivation informed movements for change, and prominent partners in opposition coalitions were expected to press for better oversight of the economy.

In particular, democratic reforms afforded space for the establishment of business associations that could lobby for conditions favorable to business and for greater access to markets. During the 1990s, advocates of improved governance also mobilized around such issues as corruption, legal reform, and budgetary transparency. Political change emboldened labor unions and other popular groupings who demanded social services, enhanced incomes, and efforts to bring about greater socioeconomic parity. A renascent civil society, as seen in Ghana, Kenya, Nigeria, South Africa, Zambia, and elsewhere, was thus a potential vehicle for economic change.

#### The Democracy-Development Disconnect

Over the last decade, however, the record of economic change in Africa has not borne out these expectations. On the positive side of the ledger, many African countries have consolidated macroeconomic reforms, and in the past few years regional growth has accelerated. Improved policies have helped to create a foundation for better performance, though much of this buoyancy can be attributed to rising commodity prices and new sources of investment from Asia and southern Africa. In most countries, however, economic expansion has not been accompanied by rising incomes or popular welfare. In Ghana, Kenya, Nigeria, South Africa, and Tanzania, indicators of public well-being lag far behind strong overall economic performance. Officials and average citizens alike often note the "disconnect" between macroeconomic indicators and microeconomic performance. In addition to this anecdotal evidence, data on poverty and human development are showing few significant improvements, and citizens report discouragement when surveyed about attitudes and economic conditions.

Indeed, a crucial paradox-that of growth without prosperity-besets Africa's new democracies. There is sound evidence that political liberalization bolsters economic-policy reform and enhances some of the institutional requisites for economic performance. Yet there are few signs that these improvements foster significant reductions in poverty or inequality, even when local regimes and external donors appear concerned with achieving such change. This paradox presents a basic challenge for Africa's new democracies. However desirable democracy may be in its own right, political liberalization does not ensure economic regeneration or improved popular welfare. Both the relationship between political and economic reform and the politics of poverty reduction remain problematic for researchers, practitioners, and African citizens. Some observers suggest that if democratic rule cannot deliver improvements in the lives of average citizens, these regimes will lose support and legitimacy, leading to more contentious and violent politics or even regime breakdown.<sup>6</sup> Alternatively, citizens in new democracies may evaluate political and economic "goods" separately, thus maintaining their commitment to democracy while pressing for improvements in welfare.<sup>7</sup>

While the tension between democracy and welfare is evident, the effects of democratic performance and consolidation (or lack thereof) on economic development are less clear. A brief review of economic performance among African regimes helps to frame the issue. Early observations suggested that Africa's new democracies did not economically outperform their authoritarian counterparts. One late-1990s assessment of key economic indicators in 36 sub-Saharan African states found that many democratic regimes in the region had undistinguished economic records.<sup>8</sup> At that time, African democracies averaged slightly lower growth rates, higher inflation, and greater budget deficits than nondemocracies. These patterns suggested that "political business cycles"—set in motion when ruling politicians, in order to secure reelection, manipulate policy to produce short-term economic gains and thus political support and concomitant high spending may impede growth in democracies.<sup>9</sup>

More recently, however, a number of studies have concluded that democracies do register advantages in economic performance when compared to authoritarian states. Brian Levy has conducted a study of 21 African states from 1975 to 2000 which finds that countries pursuing superior economicpolicy regimes performed better.<sup>10</sup> Furthermore, when these countries are categorized according to the quality of their policy-adjustment initiatives, the better-adjusting countries are those that were democracies and transitional states; the late adjusters were predominantly nondemocratic; and the nonadjusting ("polarized") states were all authoritarian during the period of the study.<sup>11</sup> A larger multicountry study produced by the African Economic Research Consortium strongly affirms the relationship between regime characteristics, governance, and policy approaches to the economy, with corresponding differences in economic performance.<sup>12</sup> Recent work by David Stasavage augments this view, demonstrating comparatively higher expenditures on education in African democracies.<sup>13</sup>

Some basic indicators can offer perspective. Figure 1 provides a simple illustrative comparison of 36 African states, showing comparative economic growth during 1986–2006.<sup>14</sup> For this assessment, countries were classified according to their regime type and then tracked separately to compare economic growth over time. There are clear differences in relative growth, as democracies generally perform better than nondemocratic regimes. During the late 1980s, the economies of the small group of African democracies grew substantially faster than did those of their authoritarian neighbors. During the early 1990s, the number of democracies increased, as numerous countries experienced turbulent reforms. Political transitions were often disruptive and frequently coincided with economic distress. This is reflected in the dramatic reduction in growth among democracies, from about 6 percent in the initial period down to a little over 3 percent in the 1992–96 period. Thereafter, growth increases among democratic countries, remaining above 4 percent during the next decade.

By contrast, African countries under authoritarian rule averaged only lackluster growth—about 3 percent for fifteen years, increasing only modestly in the last few years as commodity prices rose. Even with more favorable external conditions, growth has accelerated less quickly among nondemocratic countries than among democracies.

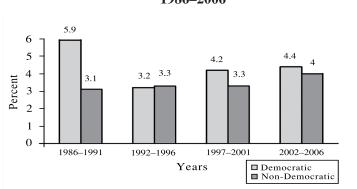


FIGURE 1—REGIMES AND ECONOMIC GROWTH IN AFRICA, 1986–2006

This comparison affirms the conclusion reached by other studies: Over the longer term, regime type does appear to influence economic performance. During the last fifteen years, countries undertaking liberalizing political reforms have generally seen increased economic growth, while the economies of those countries abjuring political change have lagged.

A more discriminating measure of welfare is the Human Development Index (HDI), which provides a composite measure of average income, life expectancy, and literacy within countries. As a group, Africa's democracies attain better Human Development scores than the region's nondemocratic countries. Among 177 countries assessed by the HDI in 2005, only two of Africa's authoritarian regimes ranked above 135 (Gabon at 119, and Equatorial Guinea at 127), compared with nine democracies (Seychelles, Mauritius, Cape Verde, South Africa, São Tomé and Príncipe, Botswana, Namibia, Comoros, and Ghana). With the highest-possible composite score being 1.0, the average among twenty electoral democracies was 0.56, compared with 0.48 for nineteen nondemocracies.<sup>15</sup> Regime type thus appears to be associated with better outcomes in popular welfare.

Yet this comparison is qualified when we assess progress over time. Tables 1 and 2 (see pp. 100 and 102) show the available HDI for 25 countries tracked over a fifteen-year period. Table 1 shows the HDI composite scores of thirteen countries that have been democracies for a decade or more, while Table 2 shows the scores of a dozen countries that have not had a political transition (or have had one only very recently). Between 1990 (the eve of the transition period in Africa) and 2005, there is scarcely any difference in the overall trend among democratic and authoritarian regimes. On average, the sample of democracies advanced by a small increment of 0.03, while nondemocratic regimes increased their average HDI by just 0.02.

Nonetheless, there are some differences among the samples. As we might expect, countries with high HIV/AIDS infection rates (Botswana,

Country	1990	1995	2000	2005	Change (1990–2005)
Benin	0.37	0.40	0.42	0.44	0.06
Botswana	0.67	0.66	0.63	0.65	-0.02
Cape Verde	0.63	0.68	0.71	0.74	0.11
Ghana*	0.52	0.54	0.57	0.55	0.01
Lesotho	0.61	0.62	0.58	0.55	-0.06
Madagascar	0.45	0.46	0.49	0.53	0.08
Mali	0.30	0.32	0.35	0.38	0.08
Mauritius	0.73	0.75	0.78	0.80	0.08
Mozambique	0.32	0.34	0.38	0.38	0.07
Namibia*		0.70	0.66	0.65	-0.05
Senegal	0.43	0.45	0.47	0.50	0.07
South Africa	0.73	0.75	0.71	0.67	-0.06
Zambia	0.48	0.44	0.42	0.43	-0.04
AVERAGE					0.03

# TABLE 1—HUMAN DEVELOPMENT INDEX (HDI)IN SELECTED AFRICAN DEMOCRACIES, 1990–2005

Trends in HDI for selected countries that were continuous electoral democracies from 1995 to 2005.

\*Later transition or missing data: measurement from 1995-2005.

*Source:* United Nations Development Programme (UNDP), available at *http://hdrstats.undp. org/buildtables.* 

Lesotho, Namibia, South Africa, Swaziland, Zambia, and Zimbabwe) all show declines in HDI. All but two of these countries—Swaziland and Zimbabwe—are democracies, which lowers the overall scores in that regime category. In Zimbabwe, which is ruled by an authoritarian regime, the substantial drop in the Human Development score is compounded by economic failure and the collapse of public services. Zimbabwe has also seen the greatest decline in HDI, while Cape Verde, a democracy, registers the greatest gain. Furthermore, during this period, seven of thirteen democracies increased their HDI by 0.06 or greater; authoritarian regimes tended to show lower gains.

While it is possible to infer from these data a small democratic advantage in popular welfare, the comparison underscores the limited progress in popular welfare among all African countries, regardless of regime type. Keeping these qualifications in mind, we can conclude that democracies in Africa perform at least as well as nondemocratic regimes in the economic domain, and that in some areas their performance is measurably better.

Another way of assessing economic performance is to consider the subjective experience of average citizens. Survey data from African democracies reflect a restrained assessment of economic conditions and prospects. The Afrobarometer network completed three rounds of surveys in twelve countries (mostly democracies) between 1999 and 2006, asking Africans to assess their country's economic condition, their own personal circumstances, and whether or not they have experienced periodic or chronic shortages of food (an indicator of poverty).<sup>16</sup>

These measures suggest that difficult economic conditions have not

changed significantly in recent years. Citizens express low assessments of the general economy and of their personal circumstances, with scant movement over time. In fact, in 2000 and in 2005, only 29 percent of respondents believed their country's current economic condition to be "fairly good" or "very good." Their perceptions of their own situations were worse still, with those reporting their personal economic conditions to be "fairly good" or "very good" dropping from 31 percent in 2000 to only 27 percent in 2005. Respondents also confirmed a slight increase in food shortages, with more than half stating that they had gone without food at some point during the previous year.<sup>17</sup> Africans in new democracies do not perceive substantial improvements in their economies, and they note few advances in living conditions. While broad measures of macroeconomic performance and welfare show that democracies perform comparatively well, citizens' perceptions in these countries reflect a more somber reality.

# **Explanations of Performance**

Although democracy appears to yield economic benefits over time, the transition to democracy has not fostered dynamic economies or substantial improvements in welfare in most of Africa. Certain domestic and international factors have contributed to these failings. Political reform in Africa has produced important changes in actors and institutions, yet well-entrenched and resilient political patterns limit the depth and extent of change. African politics have long been characterized by strong presidential regimes, the dominance of a single party or elite cohort, the maintenance of control through extended patron-client networks, and the dispensation of patronage in exchange for political support.

The concept of neopatrimonialism, which captures the tensions between institutional rule and the clientelist management shaping most African political systems, neatly sums up the nature of politics in Africa. Neopatrimonialism is largely incompatible with democracy and economic growth.<sup>18</sup> As discussed above, clientelist politics tend to reinforce inequality, undermine accountability, and hamper the provision of public goods. Moreover, weak formal institutions, unregulated elite discretion over resources, and a propensity for consumption instead of investment all erode the possibilities for capital formation.

Neopatrimonialism in authoritarian regimes has been closely associated with personal rule, oligarchic control, and pervasive corruption. The transition to electoral democracy, however, does not necessarily eclipse neopatrimonial structures and practices. In many African countries undergoing political reform, neopatrimonialism has been reconfigured rather than displaced by the new democratic structures.<sup>19</sup> Presidents continue to exercise broad discretionary powers, even if they must now contend with constitutional restraints and countervailing institutions.

The relative weakness of opposition groups and civil society often

Country	1990	1995	2000	2005	Change (1990–2005)
Burkina Faso	0.32	0.34	0.35	0.37	0.05
Cameroon	0.53	0.51	0.53	0.53	0.00
Chad	0.36	0.38	0.40	0.39	0.02
Congo (Rep.)	0.56	0.55	0.52	0.55	-0.01
Eritrea*		0.44	0.46	0.48	0.05
Ethiopia	0.33	0.35	0.38	0.41	0.06
Gambia*		0.44	0.47	0.50	0.07
Mauritania	0.46	0.49	0.51	0.55	0.10
Swaziland	0.63	0.64	0.59	0.55	-0.09
Togo	0.50	0.51	0.52	0.51	0.02
Uganda	0.43	0.43	0.48	0.51	0.07
Zimbabwe	0.65	0.61	0.54	0.51	-0.14
AVERAGE					0.02

TABLE 2—HUMAN DEVELOPMENT INDEX (HDI)IN SELECTED AFRICAN NONDEMOCRACIES, 1990–2005

Trends in HDI for selected countries that were continuously ruled by authoritarian regimes from 1995 to 2007.

\*Missing data: measurement from 1995 to 2005.

Source: UNDP, available at http://hdrstats.undp.org/buildtables.

creates latitude for executive control, prompting leaders to extend their power through both formal and informal means. Many elected presidents have adapted to patronage structures, cultivating crony relationships with key notables and marginalizing political rivals or opponents.<sup>20</sup> Leaders often attempt to manipulate or alter democratic institutions to bolster their control. The effort to extend presidential term limits, as seen for instance in Namibia and (unsuccessfully) in Nigeria, is a further reflection of executive ambition. In weak institutional settings without an effective legislature or judiciary to provide checks and balances, presidential control tends to foster many of the same problems that characterized earlier systems of personal rule, including a lack of government accountability and transparency.

The dominance of a single, strong party in countries across Africa reinforces the strength of political clientelism. In Mozambique, Namibia, Nigeria, South Africa, Tanzania, and Zambia, for example, ruling parties have held substantial majorities through several elections, consequently marginalizing the opposition. Parties from the old regime govern in Mozambique and Tanzania, while new parties that took power during the political transition have become entrenched in Nigeria and Zambia. The dominance of ruling parties is mirrored by the resilience of political elites, who often manage to reconstitute networks of control even as political structures and institutions change.

Elite groups in transitional democracies often sustain traditional networks or, where the old regime has been eclipsed, form new ones. In Tanzania, incumbent-party cohorts still govern, while in Zambia and Senegal the posttransition ruling parties comprise veteran leaders from the trade-

#### Peter Lewis

union movement or the traditional opposition. In Nigeria, retired military officers permeate the political parties. Executives from the predemocratic era may also return to power, as did Mathieu Kérékou in Benin and Didier Ratsiraka in Madagascar. Adaptable, enduring elites tend to reproduce clientelist systems and outlets for patronage. These inherently limit competition—and thus accountability—in the political domain. Clientelism also fosters crony networks linking politicians to the private sector. Elite rivalries within these networks, combined with the volatility of electoral politics, may shorten officeholders' time horizons. All these patterns encourage corruption, weak oversight, and politically driven fiscal cycles.

The lack of a developed and vibrant civil society in many of these countries also hinders accountability and improved government performance. Political reform has undoubtedly opened new outlets for civic expression in much of the region, which is reflected in the proliferation of independent associations and media and in a wider public sphere. Few countries, however, have seen the growth of an autonomous domain of civil society that can effectively press politicians for better policies or economic performance. In countries such as Benin, Ghana, Mali, Malawi, Mozambique, Senegal, and even Nigeria, we commonly find that many associations are small, urban-based, reliant on donor funding, or fragmented regionally and ethnically. Most African democracies have yet to develop habits of effective advocacy and critical citizenship. Even in South Africa, which has the strongest tradition of dissent and civic mobilization in Africa, the hegemony of the ruling party, the African National Congress, limits the efficacy of popular protest.

In consequence, in most of Africa's new democracies, there are few coherent lobbies for public goods or coalitions for reform. With limited countervailing pressures from below, politicians find little inducement to focus their efforts on general improvements for constituents. Instead, elected leaders seek to preserve their standing among ruling networks while dispensing piecemeal benefits to supporters. This generally reinforces distribution through clientelist links rather than programmatic or policy-driven agendas.

A related problem stems from the longstanding institutional deficiencies of Africa's weak states. Democratic rule cannot easily escape the legacy of state degeneration found in most countries in the region. Elected leaders must contend with feeble bureaucracies, cumbersome government enterprises, sparse public services, deteriorating infrastructure, and (in more than a few cases) depleted treasuries. Regime change offers few curatives for the resource constraints and institutional weaknesses that have accumulated over decades. Countries such as Botswana, Mauritius, Namibia, and South Africa are exceptions to this generalization, but most new democracies in Africa operate under severe limitations in both resources and capacity. In addition, weak financial, regulatory, information, and legal systems hinder investment and undermine the credibility of the incentives offered by policy reform. These political legacies have implications for the extent of reform and the distributional effects of policy change. Politicians in new democracies are reluctant to forgo patronage resources by relinquishing influence over the economy. The slow pace of change in institutions and market structures hampers investment in such key sectors as manufacturing, commercial agriculture, and value-added services that could generate employment and disperse wealth. Moreover, political elites often capture rents from privatization, financial liberalization, the removal of subsidies, and trade reform. As a result, the wider economic benefits never filter down to the masses.

## The International Dimension

Disappointing economic outcomes in new democracies are the consequence of more than just domestic political dynamics, however. Several aspects of the international environment also influence the possibilities for redistribution and poverty reduction. First, policy choices for African regimes remain limited. The overarching influence of external donors, led by the multilateral financial institutions (the International Monetary Fund [IMF] and the World Bank), has reinforced policy orthodoxy across the region. This framework emphasizes balanced budgets, low inflation, reduced subsidies, trade liberalization, smaller government, and less-intrusive state economic activities. African governments, under continuing fiscal pressure, are subject to donor leverage and find it difficult to break from orthodox prescriptions. Policies of redistribution are effectively omitted from policy choice. Nor have African democrats been drawn to the type of resurgent populism that has recently spread across Latin America. They cannot afford it, and they gain little electoral advantage from adopting a populist stance.

More by circumstance than by design, orthodox adjustment policies have had adverse distributional effects in many African countries. In theory, structural adjustment calls for both reductions in government spending and a shift of resources away from less efficient uses (such as subsidies or loss-making government companies) toward more-productive sectors and social services. In practice, governments have come to realize that compliance with core macroeconomic indicators—notably fiscal balance, low inflation, and market-determined exchange rates—is often sufficient to maintain a flow of needed resources from the donors. Fiscal balance is often achieved by limiting expenditures and levying user fees on public goods such as health and education.<sup>21</sup>

For African leaders, penalizing rural groups or the urban poor with such fees is less hazardous politically than cutting the military budget or divesting state enterprises, both of which could create large job losses among urban constituencies. While donors do not encourage the contraction of social provisions, they strongly emphasize budgetary discipline as a condition for

#### Peter Lewis

assistance. Governments economize in the areas that are least risky, though this often creates hardship among politically vulnerable groups. Redistributive or populist policies are largely precluded by the need to maintain fiscal and monetary restraint in order to obtain foreign assistance.

Some external donors, however, have launched programs aimed at directly addressing poverty and redistribution. Such donor-sponsored efforts have yielded only modest results. The Heavily-Indebted Poor Country (HIPC) initiative, launched by the World Bank and the IMF in 1996, is an effort to reduce substantially debt loads for countries that follow prudent economic policies, with the intention of freeing up resources for investment and social provision. The poverty-alleviation goals of HIPC have been accentuated through the requirement for debtor countries to submit Poverty Reduction Strategy Papers (PRSPs). The PRSP process calls for plans to channel the resources earned from debt cancellation toward services and programs for deprived segments of society. Another initiative, the U.S.-sponsored Millennium Challenge Account (MCA), a bilateral fund run by the Millennium Challenge Corporation, provides significant amounts of supplementary aid to countries that meet benchmarks of economic responsibility and good governance.

These policies appear to support desirable priorities on the part of benign governments, but the results have not been unambiguously positive. Many of these programs are excessively bureaucratic and cumbersome, resulting in the slow delivery of resources and indefinite outcomes for target groups. Moreover, the PRSP and MCA processes are often criticized for absorbing energies and resources from weak African bureaucracies that are already overextended, thereby straining rather than building institutional capacity. While some of the region's new democracies have reaped benefits from debt relief and aid premiums, it is not clear that these resources have significantly reduced poverty or improved welfare in recipient countries.

Finally, it should be noted that African countries, regardless of regime type, continue to face hindrances in trade and investment that limit their potential for growth. Democratizing states in the region have few advantages over their authoritarian counterparts in gaining access to overseas markets, offsetting the effects of agricultural subsidies in industrialized countries, buffering the consequences of rising energy and food costs, or soliciting investment in crucial productive sectors. The U.S. African Growth and Opportunity Act (AGOA) has opened export windows for several African countries, many of which are democratizing states undergoing economic reform. Yet the intractability of subsidy issues in the World Trade Organization's Doha Round of trade negotiations shows that African exporters of agricultural commodities still face substantial obstacles to improving their performance. Soaring fuel and grain prices afflict African countries without regard to political regime. Beyond the observable barriers to expansion, the handicaps of poor reputation and weak credibility in global markets can be

seen in lagging investment responses, even in such stable democracies as Ghana, Benin, Mali, Mozambique, and Namibia.

## **Prospects for Change?**

In this overview, I suggest that Africa's new democracies have achieved limited progress in revitalizing their economies and alleviating poverty. This should not be taken to mean that regimes are irrelevant to economic outcomes, or that the region's economic problems are intractable. Democratic governance clearly provides stronger protection against predatory rule, blatant neglect of public welfare, and purely self-aggrandizing behavior by leaders. Democracy fosters institutions that rein in the arbitrary power of the executive. More stable and transparent legal settings, even if flawed, strengthen the potential for investment and exchange. Moreover, political liberalization affords space for civic mobilization, public-interest lobbying, and independent media outlets that can disseminate information and hold leaders to account. Electoral democracy may not be sufficient to transform African economies, but it seems to be necessary for economic advancement. A growing body of data and analysis affirms a democratic advantage, however modest, in economic performance throughout the region.

In order for African democracies to move toward the next stage of reform, however, several factors must come into play.<sup>22</sup> The first involves the selection and orientation of leadership. In a number of African democracies, including Benin, Ghana, Kenya, Mozambique, Nigeria, and South Africa, a newer generation of technocratic, reform-minded leaders has made its mark on the political scene. Institutionalized electoral systems and a more active opposition help to shift incentives for political aspirants, while creating opportunities for the entry of newcomers into the political sphere. Some of these elements can help to drive change beyond the limits of current political and institutional arrangements.

Forward-looking politicians need allies among constituencies and civic groups. This points to a second important factor: the formation of broader coalitions for change in democratizing states. In much of Africa, reform elements in the civic sphere currently lack cohesion and focus. Yet the possibilities for more capable and better-coordinated movements for change can be glimpsed in several countries. In South Africa, civic organizations are demanding better public services and welfare provision. In Ghana, business groups lobby for improved economic policies. Nigerian activists successfully resisted efforts by the president in 2006 to extend term limits. Zambians have protested government corruption and pushed for greater transparency. These initiatives do not constitute coherent movements for economic reform, but they do represent new demands and pressures on incumbent elites.

A third factor is the continued need for institutional development in democratizing states. This is an incremental and uneven process, but there is evidence from many countries that governments are making

Survey Categories and Questions	Ca. 2000	Ca. 2005	CHANGE
SATISFACTION WITH DEMOCRACY % fairly/very satisfied	58	45	-13
SUPPORT FOR DEMOCRACY % agree: "Democracy is preferable to any other kind of government."	69	61	-8
PATIENCE WITH DEMOCRACY % agree: "Our present system of elected government should be given more time to deal with inherited problems."	46	56	+10
ECONOMIC PATIENCE % agree/agree very strongly: "In order for the economy to get better in the future, it is necessary for us to accept some hardships now."	46	57	+11

TABLE 3—ATTITUDES TOWARD	DEMOCRACY AND THE ECONOMY
--------------------------	---------------------------

*Source:* "The Afrobarometer Network, Where Is Africa Going? Views from Below," Working Paper No. 60, May 2006, available at *www.afrobarometer.org*.

Samples: ca. 2000, n=21,531; ca. 2005, n=17,917. Countries included: Botswana, Ghana, Lesotho, Malawi, Mali, Namibia, Nigeria, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe.

headway in stemming corruption, improving the legal environment, building workable financial systems, and regulating such key sectors as banking and telecommunications. Institutional development in democratizing states is a crucial requisite for achieving sustainable economic expansion and any prospect of poverty reduction.

Now is the time to revisit the question raised earlier regarding democratic legitimacy and citizen support. If Africans are discouraged by their economic circumstances, does this create political disillusionment and possibly even attraction to nondemocratic alternatives? Table 3 above, again based on survey data from the twelve-country Afrobarometer sample, shows Africans' assessments of democratic performance, as well as their overall commitment to democracy, their patience with democracy, and their patience with the economy. African citizens are clearly disappointed by the performance of democracy, yet their general commitment to democracy as a political regime remains relatively strong. While average satisfaction with democracy has declined markedly, support for democracy has subsided only modestly. Without more sophisticated regression analysis, it is difficult to say how much of this declining confidence arises from economic concerns, and how much from other factors such as corruption, insecurity, opposition grievances, and the like. Yet this measure does not show a regional crisis of democratic legitimacy, notwithstanding widespread dissatisfaction with economic conditions.

The resilience of support for democracy looks all the stronger when we consider citizens' patience with current conditions. Increasing numbers of Africans are inclined to wait for democracy to deliver better results, and to accept present economic difficulties in the hope of future improvements. In African democracies, about six in ten citizens support the democratic system over all others, and nearly the same proportion is prepared to show forbearance with regard to current problems. The shortcomings of economic performance in democratizing Africa do not yet appear to pose a critical challenge to the sustainability of democracy.

Still, it must be acknowledged that, fifteen years after the wave of democratization crested in Africa, political reform has not fostered a regeneration of the region's economies. While democratization can offer intrinsic benefits with regard to rights, liberties, and accountability, it furnishes no panacea for the prevailing economic malaise, nor any blanket prescription for accelerating economic growth and reducing poverty. Many of Africa's new democracies have significantly improved their growth rates, but they have not achieved broad-based prosperity. The resulting disjunction between popular expectations and political realities creates an impediment to the consolidation of democracy. Poor economic performance restricts government resources, fosters social conflict, and undermines the legitimacy of electoral regimes. Despite these challenges, there is evidence that most citizens in Africa's fledgling democracies are willing to allow time for economic improvements. At the same time, there are political trends-including generational changes in leadership, increasingly assertive civic engagement, and incremental improvements in institutions—that appear promising for longer-term reform. Africa's quest for democratic development still has a long way to go. Fortunately, Africans appear to be patient, recognizing that effective democratic institutions and practices must take root before the benefits of democracy begin accruing to the average person.

#### NOTES

1. A compelling argument about the link between governance and economic performance in Africa is presented by Benno J. Ndulu et al., eds., *The Political Economy of Economic Growth in Africa*, 1960–2000 (Cambridge: Cambridge University Press, 2007). This linkage is not universally emphasized. For instance, Jeffrey Sachs discounts the importance of governance as a determinant of economic performance, stressing instead the region's unfavorable geography, capital shortages, and limited access to global markets.

2. Charles E. Lindblom, *Politics and Markets: The World's Political-Economic Systems* (New York: Basic Books, 1977), 164–65.

3. Amartya Sen, Development as Freedom (New York: Anchor, 1999).

4. Claude Ake, *Democracy and Development in Africa* (Washington D.C.: Brookings Institution Press, 1996).

5. Michael Bratton and Nicolas van de Walle, *Democratic Experiments in Africa: Regime Transitions in Comparative Perspective* (Cambridge: Cambridge University Press, 1997).

6. Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (Cambridge: Cambridge University Press, 1991), 188.

7. Larry Diamond, Developing Democracy: Toward Consolidation (Baltimore: Johns

Hopkins University Press, 1999); see also Michael Bratton and Peter Lewis, "The Durability of Political Goods: Evidence from Nigeria's New Democracy," *Commonwealth and Comparative Politics* 45 (March 2007): 1–33.

8. Nicolas van de Walle, African Economies and the Politics of Permanent Crisis, 1979–1999 (Cambridge: Cambridge University Press, 2001).

9. Democracies also registered substantially higher investment spending than nondemocracies, which over time could compensate for the growth-hampering effects of inflation and fiscal deficits; see van de Walle, *African Economies and the Politics of Permanent Crisis*, 255.

10. Brian Levy, "Are Africa's Economic Reforms Sustainable? Bringing Governance Back In," in Muna Ndulo, ed., *Democratic Reform in Africa: Its Impact on Governance and Poverty Alleviation* (Athens, Ohio: Ohio University Press, 2006).

11. In Levy's classification, "strong adjustors" include Benin, Burkina Faso, Ghana, Malawi, Mali, Mozambique, Uganda, and Zambia; all but two were electoral democracies by 2000; "later adjustors" include Cameroon, Chad, Guinea, Madagascar, Mauritania, Niger, Senegal and Tanzania, three of which were democratic by 2000; the "polarized governance" countries include Côte d'Ivoire, Kenya, Nigeria, Togo, and Zimbabwe, all of which were essentially authoritarian regimes during the 1990s.

12. Ndulu et al., Political Economy of Economic Growth in Africa.

13. David Stasavage, "Democracy and Education Spending in Africa," *American Journal of Political Science* 49 (April 2005): 343–58.

14. Thirty-six (of 48) sub-Saharan African countries were included in the comparison. Countries with sustained internal conflict (Angola, Burundi, Côte d'Ivoire, Democratic Republic of the Congo [Kinshasa], Liberia, Rwanda, Sierra Leone, Somalia, and Sudan) were excluded. Data were missing for some countries. Countries were classified by regime type for each year during the twenty-year period. Average growth rates among regime categories were calculated for five-year periods.

15. The actual scores among 177 countries range from a low of 0.33 to a high of 0.98. All African countries with available data were included.

16. Afrobarometer Network, "Where Is Africa Going? Views from Below," Working Paper No. 50, May 2006; available at *www.afrobarometer.org*. Samples: ca. 2000, n=21,531; ca. 2005, n=17,917. Countries included: Botswana, Ghana, Lesotho, Malawi, Mali, Namibia, Nigeria, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe.

17. Although the situation in Zimbabwe is especially acute, reported food shortages have also become significantly more common in Malawi and Nigeria, with more modest increases in Tanzania and Uganda. The "food shortage" measure is not driven by a single case.

18. Van de Walle, *African Economies and the Politics of Permanent Crisis*; see also Peter Lewis, "Economic Reform and Political Transition in Africa: The Quest for a Politics of Development," *World Politics* 49 (October 1996): 92–129.

19. Ake, Democracy and Development in Africa, 139.

20. Nicolas van de Walle, "Presidentialism and Clientelism in Africa's Emerging Party Systems," *Journal of Modern African Studies* 41 (June 2003): 297–321.

21. Surveys suggest that many Africans are willing to accept user fees if the quality of service improves. Unfortunately, user fees often limit access to services while education and health remain underprovided.

22. Peter Lewis, "A Virtuous Circle? Democratization and Economic Reform in Africa," in Calvin Jillson and James Hollifield, eds., *Pathways to Democracy* (London: Routledge, 2000); see also Henry Bienen and Jeffrey Herbst, "The Relationship between Political and Economic Reform in Africa," *Comparative Politics* 29 (October 1996): 23–42.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.