

African Diaspora Development Programs –new solutions to enduring challenges

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Abstract

Of the many challenges and pathologies visited upon Africa during four centuries of enslavement, exploitation and predatory, malign colonialism, none has had a greater impact than the continual devastation of the population of that continent. The capture and export of approximately 12 million men, women and children over a period of a little more than two centuries created an extended holocaust that totally destabilized huge portions of the continent with the inevitable cultural and functional disarray.

While there is no doubt that African complicity played a major role in the epic and infernal success of the African slave trade, there also can be no doubt that the European process of colonizing Africa resulted in artificial boundaries and imaginary nationalities that virtually ensured indigenous dysfunction even after liberation. Indeed, the Berlin Conference of 1884 not only formalized the colonial partition of Africa by European powers, it also destabilized any African efforts at autonomy – destabilization that exists to this day after almost a half century of nominal/neocolonial independence – or “dependent independence”.

The result has been a series of unsuccessful efforts to establish an environment for successful nationhood throughout much of the African continent. Dictatorships, civil wars, endemic corruption, famine, Euro-Sino-American corporate predators and the resurgence of tribal warfare have too often been the main characteristics of the narrative of modern Africa. The irony is more horrific in light of the virtually limitless mineral wealth and natural resources that exist on the African continent.

Foreign aid, relief funds, health workers and various charitable and eleemosynary efforts have not had the desired result of producing sustainable change and reliable development in Africa. Seemingly endless dependency and constant corruption are some of the unintended consequences of these efforts to create a transformative African narrative.

Clearly it is time to consider new and different strategies. And in that regard, two innovative efforts that focus upon the great value of the African Diaspora are worthy of consideration and have the potential of producing new and important signs of progress.

To what extent can the proposed “Return to Africa” or “Retour an Africa” initiative and the “African Diaspora Development Bond” project produce a different set of results in Africa? What are the likelihood of success of these proposed projects?

Projects and initiatives of this nature have been implemented in various parts of the world, and in Africa to a very limited extent. This paper addresses the question of what will be needed in terms of design and implementation that will produce the desired result of sustainable development on the African continent.

Project methodology

The key elements of this Diaspora Development Initiative can be described as follows:

The “Return to Africa” or “Retour a Africa” initiative has as its central feature the reintroduction of members of the worldwide African Diaspora (defined as individuals who were either born in Africa or are the children of African emigrants) as a key economic development asset. In order to move forward successfully the Return/Retour project must address five (5) key areas:

- The identification and qualification of potential entrepreneurs for participation in this effort;
- The ascertainment of accessible capital resources;
- The complete integration of all sectors of the selected African governments with the project; and
- The participation of major corporations and international organizations as strategic partners

Entrepreneurs

Individual entrepreneurship is a significant element of the economies of many African countries. However, much of this activity is focused on micro ventures that, at best, provide for the support and sustenance of an individual or a single family. There are multiple reasons for this condition the most important of which are lack of capital access, limited market opportunities and inadequate education and training. The combination of these negatives have produced modest results that should be expected given the challenges and obstacles involved.

The resource of entrepreneurs in Africa can be enhanced and invigorated by the presence and participation of men and women of the African Diaspora who have acquired education and training in Europe, Canada and the United States, education and training which could be a tremendous asset in Africa. Linked with a greater awareness of global market opportunities and familiarity with capital access resources, these African Diaspora entrepreneurs could make a real difference in Africa.

The challenge will be to get men and women who are residents (or natives) of Europe, Canada and the United States to return (or move) to Africa. And the answer to that challenge may very well be to focus on these men and women establishing a presence in Africa, rather than repatriating.

In that regard it is of great importance to utilize attraction strategies that will encourage members of the African Diaspora to commit to establishing some kind of presence on the continent. In order for this to take place incentives such as land, tax relief, subsidies for business and residential development would represent an investment by the host African country in its future by creating a critical mass of trained and educated entrepreneurs who could provide leadership and creativity and new energy throughout Africa.

Capital Resources

An important component of any strategy involving the repatriation of the *African Diaspora will be the access to capital resources*. An important assumption is that many of the repatriating men and women will have their own resources as well as capital access based upon their business and professional activities in Europe, Canada and the United States.

Additionally, the host nations will need to engage in a cost-benefit analysis regarding the inherent value that repatriating African Diaspora members will bring to Africa and the economies of the various countries on the continent. Targeted subsidies and various forms of tax relief will certainly prove to be useful incentives. It will also be important to identify capital resources from such entities as the World Bank, the United Nations Development Programme, the Africa Development Bank and the African Union. Indeed, a Pan-African coalition of private banks could also play an important role in this process

African Governments

The cooperation, support and full engagement of the governments of African countries is the *sine qua non* for any successful outcome of this African Diaspora Development Program. Given many of the challenges facing the governments of these countries and the citizens who reside there, regional and continental leadership will be of critical importance. The New Partnership for African Development established by the African Union along with:

the Arab Maghreb Union

the East African Community

the Intergovernmental Authority on Development,

the Common Market for Eastern and Southern Africa

the Economic Community of Central African States

the Economic community of Central African States

the Economic Community of West African States

the South African Development Community

are the key associations of African nations that will be essential to the successful implementation of this program and the achievement of its goals and objectives.

Regional and collaborative initiatives have the potential to create the kind of momentum that will be crucial to the success of these efforts with the potential for more enhanced undertakings with the instant programs serving as models and templates for even more creative projects.

Strategic Partners – The reality of industry and commerce throughout the African continent is closely linked to the presence and deep involvement of dominant multinational corporations. And given that many of these companies are engaged in extractive activities such as mining, oil production and agriculture, the support for Diaspora Development initiatives will need to be developed pursuant to a common recognition that the success of these programs will create a more salutary business and political environment – and that will be good for business.

Indeed, the further argument can be made in terms of the referenced salutary environment will create additional business opportunities particularly with referenced to the manufacture and sale of a wide range of consumer goods. And this combination of rationales and arguments can induce major corporations to participate in this Diaspora Development Program can establish partnerships and joint ventures with repatriating members of the African Diaspora, creating useful cooperative ventures that will accelerate the progress, success and profitability of Diaspora Development enterprises.

Another key element of the Diaspora Development Program is the African Diaspora Development Bond project. This undertaking is modeled after successfully completed capital development initiatives implemented by Israel and India over the past few decades. It is estimated that India has raised \$32 billion and Israel has raised \$11.3 billion in recent years. Similar efforts in Ghana and South Africa have not experienced the same level of success, yet it is clear that given the size and scope of the African Diaspora there is tremendous potential present, particularly given the need for capital in most African countries, a need that of necessity is only partially addressed through aid programs.

In order to move forward four (elements) must be ascertained prior to the implementation of a plan:

- An accurate assessment of the size and capital capacity of the African Diaspora beginning with Nigeria, Ghana, Kenya and South Africa.
- A detailed study of the successful Diaspora development bond issues in Israel and India.
- An ascertainment of the interest in the implementation of this project in the targeted countries; and
- A determination of the interest and potential participation of institutions in the international capital marketplace which would be critical to the prospects for success for this initiative.

Any discussion regarding the African Diaspora Development Bond project will not be complete without addressing the issue of corruption in Africa, both in the public and private sectors. While many members of the African Diaspora would not hesitate to send money to an uncle, grandparent or cousin in Africa, buying bonds whose proceeds will be used to finance government projects sounds will sound too many like just another scam.

The reality is that remittance revenues cannot be used to build bridges, schools or airports. And remittance revenues can also have an inflationary effect on the economy, raising the cost of goods that are sold. And this is why in theory, Diaspora development bonds are better than remittance revenues. But that is true only if (a huge if) corruption is either eliminated or minimized. And unless and until the uncomfortable truth about kleptomaniac corruption in too many African countries is acknowledged and confronted, the African Diaspora Development Bond initiative will be a great idea that cannot be put into practice.

Conclusion

It is noted that African Diaspora Development Programs are neither a panacea nor a universal solution for the various problems and challenges encountered by a majority of African nations. Nevertheless, a coordinated set of strategies that address the need for financial capital as well as human capital can make a huge difference in the African present and in the African future.

As further noted, for these initiatives to be successful there will be a need to focus on the members of the African Diaspora and the concept of full (or partial) repatriation while also looking to improve and enhance the business environment of African countries. It is submitted that such a comprehensive and coordinated effort can bring about permanent and institutional positive change create a future for the people of Africa that includes realized dreams.

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