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RETHINKING THE POLITICAL ECONOMY OF AFRICA FROM A HUMANIST-MORAL ANGLE

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ABSTRACT

The present paper is a work in normative ethnics and social philosophy. Many countries in Africa are faced with, at least one of these problems, to with, stagnation and crisis. The source of these problems is identified to be associated with the economic policy of unbridled capitalism based on the conventional economic wisdom of the western world. This approach places the rights of the individual above that of the society. It is noted that this approach runs contrary to the traditional African value system. Africans are naturally humanistic and usually owe allegiance both to their relations and to their society. Also, in the contemporary world *laissez-taire* libertarian economic models are difficult to bring about and more difficult to sustain. Government must play crucial roles to guide the economy with the purpose of creating a society that is fair and equitable to all. Enterprise should be encouraged but private concerns must not be allowed to dominate the society. As a matter of fact, it is not every aspect of the economy that can be or should be in private hands. Furthermore, the government ought to provide the guide for the systematic and even development of all parts of the country and every part of the economy. The methodology adopted for this paper is the approach of critical analysis, conceptual clarification and reconstruction.

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Keywords: Africa, Political Economy, Group Interest Humanism, Moral Principle.

INTRODUCTION

The central argument of this paper is that if we must address the many socio-political and economic problems facing Africa, then we must look inwards and workout the solution ourselves. This is because no meaningful assistance can come from abroad for obvious reasons. First, our past colonial and present non-colonial masters are more interested in exploiting than helping us. Second, the economic models developed in the west and the subsequent fiscal and mone-

tary policies derived from them are not adequate to handle the present economic woes of Africa.

The view being presented is that African leaders should establish their countries on African humanitarian principles. In some traditional African societies democratic principles existed along with social and economic principles in a manner that produced an egalitarian society. Nobody was exploited. Human enterprise and creativity flourished and people got adequate rewards for their

efforts, and yet nobody was left unemployed. To move in this direction we should emulate the Asian countries, rather than continue to ape the economic models of the west. As a matter of fact, the western economic models have even failed the people they were originally designed for.

Given the above, African countries should not allow unbridled individualism, even though creativity and enterprise must be encouraged. Economic activities must be guided by the government. The desires of individuals must be always subordinated to the common weal. When it is necessary the government will play fundamental roles in the development and acquisition of novel technologies.

Sensitive and essential corporations will be owned and managed by the government. Foreign multinational corporations will be allowed to operate under stipulated conditions. For example licencing, joint ownership, reliance on local raw materials, localization of research and development (R & D) unit, etc. At all times the interest of the society must be placed above those of respective individuals and private concerns.

METHODOLOGY

The methodology adopted by this paper is conceptual clarification, critical analysis and reconstruction. This is a philosophical approach to research. The purpose is to facilitate a precise and clear understanding as well as provide novel interpretations of relevant key concepts. The key concepts for this paper are political economy, group interest, humanism and moral principle. It is a work in normative ethics and social philosophy which makes concerted effort to juxtapose the African predicament with the underlying remote causes so as to proffer solu-

tions couched on pristine African humanitarian ethos.

THE CONCEPT OF AFRICAN HUMANISM

As already noted, in many traditional African societies democratic principles existed side by side with social and economic principles which encouraged egalitarianism. However, the inclinations of individuals did not take precedence over the norms of society. Individuals owed serious obligations both to their relations and the society. Moral norms were strictly adhered to because it was believed that any deviation may bring disastrous consequences from angry gods. In some of these societies public opinion flourished and there was equity, fair play, equal opportunity and justice. All able bodied individuals who were willing to work engaged in meaningfully rewarding economic activities. For this reason, extensive income disparities did not exist, albeit people were allowed to retain the rewards of their productivity. In this African moral-humanism is embedded the social security of extended family system. So to give food to a hungry relative is an obligation and not charity. Although, the extended family system is associated with some shortcomings, modern African nation-states do not seem to possess any alternative social security system at the moment.

Albeit, African moral-humanism has some similarities with socialism, there are some areas of divergence. Some of their areas of congruence are: One, the individual is subordinated to the society; Two, both aim at establishing an equitable society; Three, appreciable effort is made to take care of the less privileged; Four, the government makes effort to regulate the economy.

Be it how it may, there are also areas of di-

vergency. One very glaring case has already been mentioned above, namely, that the gods play a role in influencing the conduct of the inhabitants of traditional African societies. So African humanism is not an atheistic doctrine like socialism. People will be allowed to have religious faiths as this would sometimes provide incentives for moral actions.

The African humanism being advocated will not engage in the control of the means of production simpliciter. The view being advocated here is guiding the economy. Private enterprise will in fact be encouraged but will not be allowed to be domineering. The basic principle, therefore, is not from each according to his ability and to each according to his needs. The outcomes of fair games which are not manipulated will be retained. There will be no efforts at redistributing possessions but conscious efforts will be made at providing equal opportunities for the acquisition of needed skills as well as job opportunities so that individuals can acquire and possess according their abilities, desires and interests. Individual interests, howbeit, will not be allowed to override the group interest or common weal.

AFRICA'S SOCIO-ECONOMIC CRISES

Many African countries have been involved in conflicts in recent times, and Adetula (2006:390) offers a listing of some of these conflicts. Most of these conflicts have their origin in disagreements among people with different ethnic backgrounds who belong to the same country. Aside from discords arising from who should hold which political office, the usual source of these conflicts is the lack of consensus over the principles of revenue derivation and allocation. So the

impetus for these conflicts are power sharing and resource control. For example, since late 2011, there has been a lot of furore generated over revenue derivation and allocation in Nigeria. There is a general disagreement over the governance of public finance (See *The Punch* of Friday, February 24, 2012, pp 1 & 7; Sunday Punch February 26, 2012 pp 1&2). Also whether President Goodluck Jonathan should contest in 2015 has been generating a lot of furore lately

A major contributor to the genesis of these violent collisions, however, could be traced to the attempt to tackle complex socio-economic problems with non-relevant economic models bequeathed to these African countries by their former colonial masters. Economic policies are formulated in African countries without putting into consideration their peculiar circumstances, such as ethnic chauvinism, the influence of colonialism and neo-colonialism, lack of solid capital base, consumerism and preference for foreign made goods due to ignorance, inferiority complex, and the low standard of the locally manufactured goods in some cases. Lin (2012:4) "...observed that developing countries that succeeded during the second half of the 20th century did not follow the dominant development thinking or the policy prescriptions of the first and second wave." This development puts paid on the economic policies of stabilisation and structural adjustment programme which advocated liberalisation and privatisation. "The accumulated evidence generally points to the weak link between adjustment and performance in Africa" (UNCTAD, 1998, cited by Nissanke, 2001:2).

Most African states are ethnically plural. Within a country, some of the linguistic groups are numerous while others are small

numerically. Naturally, those in the minority are hardly in control of political power. So, even when the bulk of a country's revenue is derived from a minority area a substantial part of the revenue realised is not usually used to develop locale of revenue generated. This led to the Niger Delta crises in Nigeria.

Political circumstances which are uncommon in Nigeria combined to produce Goodluck Jonathan, a Southern minority, as the president of Nigeria. Ever since 2011 the Northern political leaders have been threatening that power must return to them or Nigeria would be destroyed. (see *Vanguard*, Monday, May 13, 2013, PP. 16, 31, 52 & 53). When Dr. Goodluck Jonathan was declared winner of the 2011 presidential elections, hell broke loose in the North. All the core Northern states with the exception of Kebbi and Sokoto states engaged in violence and civil disobedience which led to the killing of many innocent people and the destruction of properties worth several millions of naira. (see *National Mirror*, Friday, May 17, 2013, P.5).

The case of neo-colonialism is based on the fact that most African countries, if not all, are merely politically, but not economically independent. The so-called independent states did not possess enough economic power and base to shape and nurture any economic development. Political independence does not necessarily connote economic independence (Meier, 2002:13).

Second, these national governments inherited defective economic structures, institutions, and policies which were irrelevant to problems on ground. They "mistakenly" applied "marginal prescriptions to a fundamental disease" (Aboyade, 1976:6). The

theoretical basis of policies used to tackle these local problems is located elsewhere. More importantly, these were economic models which proved ineffectual for the societies they were developed. Toyo (1997:29) put it lucidly:

"Neoclassicism and its policy prescription collapsed in the great capitalist depression of 1929 – 33. Keynesianism, which arose out of this crises and was offered as a cure of depression, entered crises as the 1960s closed, discredited by the repeated depressions after the World War II. It collapsed in the stagflation that developed from 1970. The attempted Neoclassical- Keynesian synthesis perished in the capitalist troubles of the 1970s and the great depression of the 1980s. Today, Friedmanian neoclassical monetarism and neo-Keynesianism end up in a blind alley..."

It was the attempt to solve some of the problems of the United States' economy with Friedmanian monetarism that ruined the political carrier of President Ford. Thus, Galbraith (1981:101) says: "it was the economic policy that defeated him...one wonders if he enjoyed being sacrificed for the economic faith of his advisers". These advisers were Professor Friedman and his disciples.

The economies of Africa are appendages of the economies of colonial and neo-colonial metropolitan countries. The inputs from these countries in the way of sophisticated technology, technical labour, markets and

minerals are usually enormous. Worse still, they form the intellectual basis of these neo-colonial economies and dictate which policies to be adopted or rejected. Expectedly, these policy prescriptions are meant to serve the purpose of the metropolitan countries at the expense of the local people. Often times, nations are told to adopt the *Laissez-faire* invisible hand policy and avoid the communal spirit as the only way to stimulate economic growth. In other words, there should not be any form of regulation or interference on the part of the government to guide the economy and group interest should be avoided. But this is not always in the interest of developing economies, especially, in Africa.

It is noteworthy that the economic prescriptions from the western financial institution stifle real entrepreneurship among the local people. For instance, this explains why a country like Nigeria that has produced oil for more than five decades does not contribute anything meaningful in the production and/or exploration of oil. The revenue she gets from oil comes mainly from rent. The technical know-how and equipment required for the extraction of oil are owned by foreigners. Ihonvbere and Shaw (1988:69) have noted that, "The oil revenues received by countries producing and exporting oil have very little to do with production processes of their domestic economies; i.e. domestic inputs other than location are insignificant." This situation is highly unfortunate because a country that markets primary products can never favourably compete with another that produces industrial goods. "All countries that remain poor have failed to activate structural transformation; that is, they have been unable to diversify away from agriculture and the production of traditional goods into

manufacturing and other modern activities (Lin, 2012:3).

The availability of natural resources complicates this situation further. This is because the technology and expertise required to extract such natural resources are usually beyond the capacity of the poor developing countries. As a consequence, they will rely on the industrialised countries for extraction. So naturally, the only benefit accruing to the poor country where the natural resource is located, as we have already noted, is rent. During the period of boom the increased foreign exchange earnings will strengthen the local currency. Resultantly, imported food and manufactured products will be cheaper than locally produced ones. This will in turn adversely affect the basis of local agricultural production and manufacturing. So when a burst occurs the local economy will be adversely affected.

Ideally, Nigeria ought to have become proficient in every aspect of the petroleum industry technologies. Unfortunately, this is not the case. According to Crawford (2002). "A country's ability to favourably compete internationally lies in its capacity to absorb new technologies and apply them efficiently". It is the government that should guide and provide the lead. "National governments have a very long history of direct involvement in the development of high technology. Government has been a prominent and, at times, the main drive of technological advance" (*Conflict and Cooperation*, 1996). In fact, this is the case with the Asian tigers. It is private initiative combined with government investment that gave them the competitive edge." As Stiglitz (2002:91) has noted: "the World Bank Asian Miracle study laid out the important roles that the government had played. These were far from the

minimalist roles beloved of the Washington Consensus". Thus, what Africa requires is working out a functional technological system to drive our economic development. This does not need to be completely original; she can borrow or copy systems with prototypes elsewhere. But they must be effectively adapted to serve her needs and interests.

Libertarian, *laissez-faire*, invisible hand approach is usually advocated on the basis of certain assumptions such as equal power, equal information and equal opportunity. Process oriented advocates like Robert Nozick and F.A Hayek believe that the means should justify the end. Whatever is acquired by one's enterprise in so far as there was no coercion should be retained. "The outcomes of fair games played fairly should be left alone" (Schother, 1985: 26).

The flaw in the libertarian position is twofold: First, opportunities are hardly ever equal. The privileged classes are those who formulate policies, which mainly serve their class interests. This often leads to the exploitation of the less privileged. Second, the social events of the world are immersed in uncertainty and, thus, can never be always predicated with accuracy. Given this fact, it is often difficult to predict how social events and societal values will affect a particular occupation or profession, group or place.

This is why John Rawls believes that if people were given the opportunity under the veil of ignorance they would opt for the socialist alternative. "Rawls idea was that the parties would naturally first think of distributing all primary goods equally, and then

consider improvements that render everyone, including the least advantaged, better off" (Voorhoeve, 2008:200-1). For example, in the 1996 Atlanta Olympic games, Chioma Ajunwa was the very first Nigerian person to win a gold medal, followed by another gold medal won by the Dream Team I, the nation's Under 23 football team. However, more attention was given to the latter, than the former. There was no rational ground then why it should be so; it could have been otherwise. This shows that rewards are not always commensurate to accomplishment. Sometimes the role of sentiments may be decisive. The love which Nigerians have for football made them regard the one gold won by 23 people more than the one won by one person.

The presupposition that all producers and all consumers have equal power and equal information is difficult to justify. Multinational corporations, for instance, are more powerful and better informed than the other competitors. They (MNCs) can influence the price they purchase raw materials and the price which they sell their products. "A large oil company, unlike a small distributor or refiner, can reach back to the oil fields". "A big steel company can reach back and control its supply of iron ore" (Galbraith, 1982: 64). Similarly, the CEOs of multinational corporations have access to any calibre of public official and usually contribute to and influence the government's monetary and fiscal policies. As should be expected, such policy inputs are geared to favour their concerns.

Multinational corporations are like separate republics onto themselves. They can even pull down the government of a country. Galbraith (1982:7, 83).

The truly giant corporation — ... — are independent republics of their own management. The multinational corporation, when it comes into a country, also persuades the host government as its needs. It may establish a lobby, work on legislations, influence public opinion. Only because it is a foreign corporation does this look more serious than the similar invasion of sovereignty by a national corporation.

Naturally, they may not be helmed by the country's laws and policies because they operate in different countries of the world. By way of instance, Shell, which is the biggest oil producing firm in the country, is not quoted in the Nigerian Stock Exchange. This shows that its financial base is elsewhere. Also most multi-national corporations in Nigeria have their risks covered by insurance companies in the developed countries. Their usual explanation is that insurance companies in Nigeria do not possess adequate financial strength to cover their investments. Multinational corporations can evade or manipulate a country's monetary and fiscal policies to suit them. By way of example, if a government should, through its monetary policies, reduce the amount of money in circulation, they may not be affected severely because of their large capital reserves. Also they are the most valued bank customers, so in a situation of scarce financial resources, preference would be given to them by the banks. In most cases, they influence their prices of goods and interest on loan (see Galbraith, 1982:71,72).

Multinational corporations exist to serve their shareholders in the metropolitan country, the techno-structure, and few local agents. Thus, one could state that their policies are never in the interest of the local people. For example, they prefer capital intensive mode of production to labour intensive mode. So only the minimum number of staff is required. This means that they often expand and increase their revenue without reducing unemployment. (*Time Magazine*, April 2, 2012, p. 22). As business concerns, they can create a lot of environmental hazards. The case is worse in the third world countries because adequate legislation protecting the environment does not exist. Gas flaring in Nigeria is a typical example. In spite of all these they are usually supported by their home countries. Bad as their case is already, multinational companies are sometimes granted tax rebate and bailed out with taxpayer's money when they are in trouble. The usual claim is, if they crumble unemployment would increase. For example, some years ago, the Central Bank of Nigeria bailed out some distressed commercial banks with public funds. The essence was to safeguard the jobs of the employees of those banks and to protect depositors' funds. This is not perceived "as a form of socialism but to protect and promote private enterprise." (Galbraith, 1982: 78).

By the nature of multinational corporations, they do not differ from planned economies because they are able to control the source of raw materials and their prices. This is done by their top level managers who keep information to themselves. But in their case, they are meant to serve only themselves and not the public as it is the case with planned economies. (see Galbraith, 1982: 20, 21).

POLITICAL ECONOMY FOR AFRICA

Africa's developmental political economy must be founded on African humanism. In most traditional African societies democratic principles existed side by side with social and economic relations which championed and strengthened egalitarianism. By way of example the ancient Oyo Empire had a well-established system of checks and balances. As a matter of fact, the Alafin reigned in conjunction with his high chiefs. For instance, when Alafin Awole ordered the attack of Iwere, a town which had some sentimental attachment with Oyo, his order was not executed. Rather, Oyo soldiers turned against him, killed his supporters, and compelled the *aba* to commit suicide. (See Akinjogbin, 1982:411). Also the Igbo people developed a system of ultra-democracy. Sylvia Leith-Ross (1939:67) put it thus:

So natural did it seem to find autocracy in some form or other wherever one went in Africa that it was impossible even to imagine a democracy so absolute as that of the Igbo.

In these societies economic relations existed in such a manner that real incomes were distributed in a way that extensive social injustices did not exist. Equal opportunity was ensured because all healthy people were engaged in meaningfully rewarding economic activities within the limits and circumstances of the community. Aboyade (1973:2) identified four conditions that were responsible for this; they were:

- i. Thriving agricultural and pastoral communities producing adequate

food for their requirements as well as some surplus for inter-regional commerce;

- ii. An essentially democratic economic organisation based largely on small peasant proprietorship, with strong egalitarian elements in the access to use of lands, and in the resulting distribution of income by factor shares;
- iii. Fairly complex social institutions to support large political units that were able to organize and administer for the defence of their communities, as well as engage in trade with other large and distant communities.
- iv. Impressive indigenous work of art, crafts and artefacts, which are distinctive and could only be products of long settled, communities with cultural values, expressing an integral part of everyday economic life, religious worship and social order.

This African humanism cannot be realised through an unguided capitalistic approach. This is because capitalism is an economic theory founded on ultra-individualism. The principle is, foul can be fair if it produces profit, and fair can be foul if there are reasons to consider it economically unprofitable to the individual. Given this, the weak and the poor are usually susceptible to substantial exploitation. One of the greatest proponents of the capitalistic economic model, Lord John Maynard Keynes, stated that until everybody is wealthy, ethical considerations are useless. They hinder economic progress rather than enhance it. When we are all rich, he stated, we shall:

Once more value ends above means and prefer the good to the useful. But beware! the time for all this is not yet. For at least

another hundred years we must pretend to ourselves and to everyone that fair is foul and foul is fair; for foul is useful and fair is not. Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight (Quoted in Schumacher, 1974: 19).

The position of Keynes is supported by Capra (1982:201) when he later noted that the nature of unguided capitalism institutionalized and encouraged such attitudes as pride, selfishness, avariciousness and gluttony, which are termed deadly by pristine Christianity.

The political economy being advocated should be one that is based on the golden rule which enjoins us to do unto others as we would like them to do unto us. Free enterprise or market economy should be guided by the principles of equity, fair play, equal opportunity and justice. In this connection socialist principles are considered superior to unbridled capitalist principles. Capitalists admit this. M. Novak writes: "Socialism is a system built on belief in human goodness; so it never works. Capitalism is a system built on beliefs in human selfishness; given checks and balances, it is nearly always a smashing, scandalous success" (A closet capitalist confesses, adapted from, Copi, 1978:17). S. Maccracken (1982:76), in his review of Novak's work, also acknowledged that: "Capitalism succeeds because it is an economic theory designed for sinners, of whom there are many, just as socialism fails because it is a theory designed for saints, of whom there are few".

The question that may readily come to mind is how a socialist economic model can be advocated given the developments in the modern world. There is a point of departure. The advocated African humanism will be a community humanism which combines reason with moral principles. Pure secular humanism has a fundamental defect. That is the problem of justification of a moral action or the lack of an incentive for the moral agent. This flaw makes it difficult for most people to act morally when it does not benefit them directly. Mishan (1982: 16) appreciated this point when he wrote:

... I might observe that a peaceful and stable society would not be possible if such a moral law, among others, were not binding on people. You might agree with my judgment of the consequences of a rejection of such moral laws, but then go on to question the advantages of living in a peaceful and stable society. Should I then seek to persuade you, drawing on historical experience and the resources of imagination, that a peaceful and stable society was generally a desirable thing, you might press further questions upon me. And so we could go on indefinitely...

This difficulty in providing a rational basis for moral actions is because individuals are expected to place their interest above that of the community. In traditional African societies certain conducts are considered a taboo which may attract the anger of the gods on the whole community. So people are compelled to comport themselves to avoid bringing calamities on their communities. This

position is not in consonance with the view of classical economics which holds that human actions are fundamentally driven by self-centred economic considerations. But as a matter of fact, human actions are and ought to be driven by economic considerations as well as ethical motives. Trevino and Nelson (1995:24) appreciated this point when they noted that:

Classical economists assume that practically all human behaviour, including altruism, is motivated solely by self-interest – that humans are purely rational economic actors who make choices solely on the basis of cold cost/benefit analysis. But there is much evidence to suggest that people also act for altruistic or moral purposes that seem to have little to do with cost/benefit analysis.

Moral actions are good actions aimed at benefitting other people or even the society at large executed on the presupposition of a sense of duty. Such actions may sometimes be in conflict with personal desires. "The ideas of duty and obligation only arise where there is at least a possibility of a clash between inclination and morality, a clash between what I want to do and what I ought to do" (Stace, 1962:163). It has been observed that "moral actions are sacrifices expected or even demanded of respective individuals for the benefit of society. This is because personnel interests often clash with the common weal" (Nwaorgu, 2010:17).

Appreciating that no individual can exist if the community ceases to be will overcome the inclination of extreme individualism. It bears pointing out that every human accom-

plishment is the product of human social interaction. Thus, it is an obligation or a *sine qua non* to contribute to the survival of the society which constitutes the genesis and foundation of all our successes. If all citizens can develop the attitudes of "putting the community before self", it will be to the ultimate advantages of everybody (See Shanor and Shanor, 1995:20).

Although, the position above may sound strange, it is still required for the survival of the entire human race, particularly Africans. Human civilization will be ruined without morality, and no purely rational secular basis can be established for it due to individualistic inclinations. This is because, *prima facie*, there is no incentive for the moral agent. The present state of Africa makes the view being advocated here easily acceptable. This is not to say that the individual will not be respected or that his right will be trampled upon, but that the interest of the individual must never be placed above that of the community. Libertarians will be accepted, but the state must always guide the economy. The basic guiding principle is the golden rule. Private enterprises and creativity will be encouraged to flourish but will not be allowed to be domineering.

The position being advanced is that African countries should emulate a country like China that has worked out a very effective technological system which builds cities from the scratch. It has been noted that "If China's command-and-control model of development succeeds once again, Kashgar might well become a prosperous trading center" (see *Newsweek*, October 04, 2010, p.27). This observation was over Kashgar, a remote rural area being declared a Special Economic Zone by the Chinese authorities. What this means is that Kashgar has been mapped out

for a very rapid economic development. Several other areas have been turned into booming economic centres from scratch in the past by this approach. As a consequence of this economic pattern, systematic planning and critical thinking the Chinese economy has been preeminent in the world for about two decades (See *Time*, June 18, 2012, pp. 27-38). Due to the above, China was able to reduce her people's poverty from 84 percent in 1981 to 16 percent in 2005 (Lin, 2012:2). The influence of China in the modern world's economic affairs has increased tremendously in recent times. It has also been observed by Khana (2009: 236) that:

More recently, Saudi Arabia has actively courted Chinese investments while reciprocally financing a massive petrochemical complex in China's Fujian province. Unlike politically radioactive dealings with America, the royal family actually admires China for having achieved power without subjugating others, as the West did, and for its similar style of centralized decisions making and absence of human right concerns in diplomacy.

It is, therefore, suggested that African countries should take a cue from the Chinese people in the running of their economies.

Human labour would be founded on social relations that have a moral undertone. This means that equity should be the guiding economic policy. Work should be seen as an integral part of the human person and must not be denied people. That zero percent unemployment level is possible in modern economies has been shown by countries like Singapore and Japan. Work

should also form part of the social formation in the realisation of the total person. This enables people not only to strive to be in harmony with their whole community, but with the entire universe. A person's duty as a member of one big social family will affect his behaviour to his fellow man and to his environment. The desire to pursue materials benefits at the expenses of ethical and social norms should be subordinated to the desire for the welfare and survival of the community, the entire human race and the universe. This development will enable African politicians and other public office holders to realise the folly involved in the looting of public treasury while their countries are faced with overwhelming poverty, insecurity and infrastructure decadence.

Furthermore, the extended family support system derives from African humanism, and therefore, should be allowed to flourish and even encouraged until an alternative social security system has been worked out and entrenched. For the African, to give food to a hungry relative is not charity; it is an obligation. According to an Igbo proverb: A well fed person whose relation is hungry does not sleep at night. It is obligatory for Africans to take care of their kinsmen, So it will be an abomination to squander resources which belong to the society that would have empowered those kinsmen.

RECOMMENDATION

Multinationals should be checked and taxed heavily where they operate. In fact, they should be generally discouraged and national doors hardly opened to them except where modalities for their operation (e.g licensing) have been worked out and detailed to them. (*Conflict and Cooperation*, 1996:100). Private business concerns should be regulated and will not be allowed to grow too big at the

expense of the society.

Large companies should be publicly owned. Privatisation of public concerns should be stopped forthwith. It is wrong to believe that privately organised business establishments perform better than those communally owned. For example, Singapore has efficient public corporations (see *Success Digest Extra*, July 13, 2007, p.13). Schotter (1985:18) also observes that:

...one does not have to travel back into history or to contemporary primitive societies to find views of the individual that differ from those of modern American libertarians. In many modern societies people conduct their lives with more of a communal spirit than in the United States. In such societies, it is bad form to place one's own goals ahead of those of the group. Japan is an obvious example of such a society. America has recently begun to learn the bitter lesson that it could be outperformed by a society where the group rather than the individual is supreme in the workplace and the marketplace.

At present, the U.S. is afraid of Japanese multinational corporations. We should heed the advice of Kuttner (1990:10) to his country: "...it is hard to imagine a strong U.S. economy, without U.S. owned and managed companies". By the same token, it is hard to imagine a strong African economy without African owned and managed companies. African countries should concentrate on developing the areas of business and economic activities where they have compara-

tive advantage. Any foreign company can be only allowed to operate on the basis of technology transfer, joint-ownership, using of local raw materials and licensing as well as localising her research and development unit. There should be an improved and an increased investment in the areas of research, education and training. African countries should emphasise the creation of strong institutions. The educational system must provide "the opportunity to make a knowledge utility better integrated; more effective, and more efficient (Craig, 1991:286). Education must be available, accessible and affordable to all citizens. At the same time, it must be deep, broad, theoretically sound as well as utilitarian.

In the extraction of mineral resources, distinction must be made between renewable and non-renewable natural resources. Non-renewable resources must be used with care and only when it is necessary. The proceeds realised must be properly accounted for and invested and should not be part of the overhead costs of government expenditure. Efforts should be always made to replenish renewable resources and alternatives sought for non-renewable resources. We can emulate the Chinese who were able to invent the biogas alternative energy which kept them going while the cold war lasted. It is widely accepted as being very environmental friendly. Ugwa (2003) writes:

For as at 1979, there were over seven million biogas pits in China. In fact Chinese animal and plant waste disposal has gone beyond the conventional waste disposal. China has converted all known animal and vegetable (plant) waste into very useful ventures such as solving fuel problem, stimulating

agricultural production; improving the hygiene and standard of health in the country side and effectively dealing with faeces disposal. It is indeed cost effective. (Cited in Nwaorgu, 2007:122).

It must be admitted that "China has a vibrant economy and" a creative "workforce and has adapted very well to the new technology. The Chinese are industrious and disciplined" and inventive (Trump, 2006: 54). Above all, they are outstanding in corporate and systematic planning.

Avoidance of consumerism should be encouraged especially for foreign made goods. Local production must be given every encouragement. Priorities must be properly set in the manufacture of goods. Food items and other necessities should have preference over others. Production should be made to follow as closely as possible the laws of nature. Industrial wastes should be capable of being recycled. This will ease the problem of waste disposal. Organisations that obey these rules should be encouraged and those that disregard them should be discouraged.

CONCLUSION

It has been argued in this paper that unrestrained capitalistic approach will not be a solution to Africa's economic problems. Our solution may, in fact, derive from regulated production which encourages creativity, free enterprise and equitable distribution rather than unguided production. For this reason, it is wrong to place the individual above the society. Given the above, it is suggested that we should toe the examples of Asian countries such as China, Japan and Singapore. It has been noted that "... the

Chinese were admired for qualities Americans didn't want to bother to acquire but thought it nice that others had: working for low but equal wages, putting the community before self" (Shanor and Shanor, 1995:20). In the distribution of political offices, true democracy rather than dictatorship of the majority should be practised, and in the distribution of social and economic amenities, everybody's welfare and more importantly, all ethnic groups' interests should count equally. To achieve this, it is imperative that all who are able and willing to work are provided the opportunity to do so. Also adequate provision should be made to take care of the less privileged.

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