



SOUTH AFRICAN INSTITUTE OF  
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UNIVERSITEIT VAN PRETORIA  
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**GEGAFRICA**  
RESPONSIVE AND EQUITABLE ECONOMIC GOVERNANCE  
FOR AFRICA AND THE GLOBAL ECONOMY

## SPEAKING NOTES

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### The G20 and African Development

1. Can the G20 practically support Africa's continued development or will Africa remain peripheral to the G20 member concerns?

- The G20 should; many of the G20 countries rely on Africa for resources and Africa has steadily become an investment hub for companies domesticated in the G20. Supporting practicable solutions in Africa is supporting their own (economies; companies; nationals; etc)
- Additionally, if the G20 ignore Africa, there is a possibility that the continent will slowly degenerate into chaos that would be cause so much un-ease for the rest of the world – politically, economically, socially, and all.

2. The challenge for Africa is to ensure that sustained and broad-based economic growth is achieved, resulting in structural transformation, employment, and diversified economies.

- Jobless growth – we have grown, but productivity and employment have not grown concomitantly
- High rates of unemployment – especially for the youth (a very critical segment of the population) pose threats to stability
- Declining quality of education amidst high enrolment rates – means that we risk losing generations. These collapsing public education systems imply that the already worsening income inequality will be un-bridgeable

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### 3. What possibilities exist for Africa to better articulate its practical needs to the G20:

- Agenda 2063 is a bold statement of the aspirations of the Africa we want – inclusive growth and sustainable development, political unity, good governance, respect for human rights, peace, security, common heritage, a strong, united, and influential global player.
- These are ideals that we have always strived for; however, the odds are up against us. The economic and political fragmentation and also ethnic tensions cannot allow us to achieve these ideals.

In East Africa for example, the integration protocols are not working as envisaged. We struggle with mistrust between countries; trade barriers and non-trade barriers have not gone away; just the other day, the other four countries v. Uganda decided to send the political integration back to the drawing board. We are just not there yet. But oh, we are fast tracking a monetary union.

- However, we are at a good juncture in history, to change course. And there are ways that G20 can help:
  - o Let Africa deal with their problems – African solutions for Africa (Do not subscribe from the comfort of their fine cities)
  - o Africa must first integrate economically, exploit their demand, and lay firm foundations for macro-economics
  - o Cease reliance on Aid – attract FDI and trade to become more self-reliant
  - o Industrialize – value addition for gainful employment and incomes
  - o What do we have an advantage in? Let us focus on that.
  - o Can we talk corruption? – Fix that.

### 4. Priorities for Dev't: Getting the Fundamentals Right

- Sound national macro-economic processes – inflation, debt management, employment, budget & financial management; limits on fiscal deficits & public borrowing and systems open to scrutiny

- Infrastructural developments to overcome bottle necks
- Integrated bargaining power for trade & FDI
- Less reliance on aid; volatility has implications for exchange rates
- Deepen financial sector to mobilize domestic savings & pooling of resources