AFRICAN ASSOCIATION FOR PUBLIC ADMINISTRATION AND MANAGEMENT

29TH AAPAM ANNUAL ROUNDTABLE CONFERENCE,
MBABANE, SWAZILAND
3TH – 7TH SEPTEMBER 2007

THEME: POLITICAL AND MANAGERIAL LEADERSHIP FOR CHANGE AND DEVELOPMENT IN AFRICA

TOPIC: THE ROLE OF LEADERSHIP IN THE DEVELOPMENT OF THE ASIAN NICs AND LESSONS FOR AFRICA

BY: PROF. STEPHEN ADEI, RECTOR,
GHANA INSTITUTE OF MANAGEMENT AND PUBLIC ADMINISTRATION (GIMPA)
Summary of Findings

A major phenomenon in the last half century has been rapid socio economic transformation of a group of countries in South and South Eastern Asia collectively called Newly Industrialized Countries (NICs) and improvement in human welfare. The tendency is to seek explanation of the success these countries in terms of factors such as “Strong man leadership”, and prudent-economic management. Be that such factors played roles it seems the transformation of these countries depended on a combination of active government intervention, prolonged social stability or peace, development management capacity, long term vision and agenda, deliberate change in mindset and work ethic, creation of enabling environment for non-state actors, judicious exploitation of globalization and relentless pursuit of human resource development and socio-economic infrastructure.

However, the linchpin factor in all cases seems to be quality leadership in providing direction, setting agenda and executing change. That is what distinguished these countries from most of the Sub-Saharan African nations. The prospects of such quality leadership emerging in Sub-Saharan African is now better than ever before.

1 Introduction

The last century witnessed some major phenomena. One was the unprecedented acceleration of globalization or what Scholtes (2000) calls transteritorial activities in the world driven by rational thinking which began in the 18th century; extension of global treaties, laws and rules; internationalization of capitalist development; and developments in information communication technologies especially with the invention and use of the computer related technologies.

Along with rapid globalization, with its positive gains as well as its discontents like the marginalization of a sizeable part of the third world (Stiglitz, 2003), has been unprecedented improvement in human welfare generally. For example, in the second half of the twentieth century incomes per head in economically advanced countries increased over thirty fold. While that level of explosion of wealth took place in a limited number of countries, the general improvements in human welfare such as child and maternal mortality, life expectancy, literacy rates and even material well being positively impacted most nations. In fact, the second half of the twentieth century saw the greatest improvement in the material well being of the world’s population in history.
The third and equally significant phenomenon, has been that since the Second World War, the socio-economic transformation of a group of countries, collectively called the Newly Industrialised Countries (NICs) of South and South East Asia has been such that some of them have literally been transformed from “Third World To First World” in one generation, to use the words of Lee Kuan Yew (2000). The wave began with Japan which since the Meiji Restoration at the end of the 19th century was the first Asian economy to modernise. Since the Second World War, Taiwan, Hong Kong, Singapore, Thailand, Malaysia and South Korea have followed suit. Lately China and India have broken through the barriers of low growth and underdevelopment though they still have huge backlogs of internal poverty and inequalities to address.

This paper presents an overview of the tremendous transformation of these Asian NICs, albeit at a high level of abstraction because of space and time of a conference paper. It reveals that while each nation followed a unique history and development path they, nonetheless, applied some underlying principles in their development paradigms which are transferable. At the centre of each is quality and competent leadership committed to national development.

The paper is organised as follows. An introduction followed by Section II on the state of development in the Newly Industrialised Countries and how since the 1950s these countries have successfully made strides in economic transformation far beyond the majority of Sub-Saharan African countries, some of which compared favourably with the Asian countries fifty years ago. Section III discusses the myths or popular explanatory factors of the economic take off of the NICs. Attempt is then made in Sections IV and V to summarise the major lessons that emerge from the remarkable history of wealth creation and improvement in human conditions in the last half century among the Asian NICs and the role that leadership, the linchpin in national development, played. Section VI looks at the prospects of such quality leadership to facilitate Africa’s emerging transformation. South Africa and Mauritius are already NICs for all intents and purposes. Botswana, Ghana, Mozambique, Seychelles, and Rwanda, for example, have improved
their leadership and are witnessing progress in economic growth and development. The human tragedies from Somalia to Zimbabwe are not the only stories in Africa today. The paper concludes optimistically that the African leadership landscape is improving, despite occasional setbacks. What is needed is to strengthen the supply and demand side of developmental leadership.

II. Overview of Development of South and South Eastern Asian NICs

Asia and Sub-Saharan Africa on the surface may be different in terms of race, geography as well as cultural heritage. However, progress made since the Meiji Restoration of Japan to the current rapid developments in China, India and even Vietnam in recent years cannot be irrelevant to the future of Africa. Today, countries like China and India with mega populations are the fastest growing economies while Nigeria is still struggling with underdevelopment; Malaysia and South Korea are developed economies while Ghana, Uganda and Zimbabwe are either recent graduates of highly Indebted Poor Countries or on the brink of economic disaster. The sharp contrast cannot be irrelevant. Moreover, some African countries such as Mauritius and the Republic of South Africa are on the NIC horizon with the latter rapidly overcoming its apartheid history in terms of bridging the racial divide. These countries are following policies not too different from the Asian NICs. It is, therefore, important to look at the gains made by the Asian NICs and latecomers like China and India.

Ajakaiye (2007) presents an account of the status of the rapid developments in China, India, Malaysia and South Korea since 1990. It is significant that all these countries were characterized by low income, low growth and their economies were dominated by agriculture and primary production like Sub-Saharan African Countries a few decades ago. Yet today it is clear that these economies are fast growing, have high and rising per capita GDP even though because of their populations China and India still trail behind the others in terms of per capita indicators. The macro indicators are underpinned by transformation of the structures of their economies. Adoption of technology and innovation is in top gear by them. Their overall Human Development Index levels sum up the progress of the Asian NICs compared to Sub-Saharan Africa.
Table I

Economic Performance Indicators of Selected Asian Countries in Recent Times

<table>
<thead>
<tr>
<th>Item</th>
<th>SSA</th>
<th>Ghana</th>
<th>China</th>
<th>India</th>
<th>Malaysia</th>
<th>South Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average annual Change in Real GDP (2000-2004)</td>
<td>3.8%</td>
<td>4.5%</td>
<td>9.2%</td>
<td>5.6%</td>
<td>5.2%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Real GDP Per Capita (US$) 2004</td>
<td>731</td>
<td>409</td>
<td>1,323</td>
<td>538</td>
<td>4,290</td>
<td>12,752</td>
</tr>
<tr>
<td>Industry Value Added as % of GDP (2004)</td>
<td>32.0</td>
<td>25.0</td>
<td>46.23</td>
<td>27.15</td>
<td>50.43</td>
<td>40.18</td>
</tr>
<tr>
<td>ICT Expenditure as % of GDP (2004)</td>
<td>-</td>
<td>-</td>
<td>4.43</td>
<td>3.82</td>
<td>6.66</td>
<td>6.54</td>
</tr>
<tr>
<td>Internet Users (Per 1000 people)</td>
<td>19</td>
<td>17</td>
<td>72.52</td>
<td>32.42</td>
<td>396.8</td>
<td>656.76</td>
</tr>
<tr>
<td>Overall HDI (2004)</td>
<td>.0472</td>
<td>0.532</td>
<td>0.768</td>
<td>0.611</td>
<td>0.805</td>
<td>0.912</td>
</tr>
</tbody>
</table>


Over the last half century, the structure of GDP in South Korea and Malaysia has been transformed from an agriculture dominated economy to an economy driven by manufacturing, industry and services. They have joined the knowledge economies. China and India are following in their trail. India seems to be leap-forging from agricultural dominance to service oriented economy by-passing manufacturing export orientation as the others did.

The stories of these countries were preceded by those of Taiwan, Hong Kong and Singapore who were the trailblazers which earned them the name “Asian Tigers” as they moved from “Third World to First World” after World War II. They followed the steps of Japan which at the end of the 19th Century pioneered the waive of rapid economic transformation under the Meiji Restoration.

Adei (February 2007) notes that it is customary to compare Ghana and Malaysia as contrasts of the relative developments in East Asia and Sub-Saharan Africa (see Aryeetey and Fosu, 2005; Asare and Wong, 2006) and rightly so. The two countries had
independence in 1957 and in terms of prospects seemed equally poised to make it even though Malaysia had a slight edge with income per head of 18% higher than Ghana; life expectancy at birth of 57 as against Ghana’s 40 and better social indicators such as school enrolments ratio. The reason why such comparisons are made is that the economies of Ghana and Malaysia in terms of composition of GDP in 1957 were very similar with both economies dominated by primary production. These two former British Colonies:

- began with a good mix of natural resources, as well as a significant gold and foreign currency reserves; and
- had strong British legal and political institutions and educational systems

Over the half century of their independence Malaysia’s economic development performance has been spectacular compared to that of Ghana (Table II).

**Table II**

**Ghana and Malaysia 50 years After Independence**

<table>
<thead>
<tr>
<th></th>
<th>Ghana</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Human Development indicator</td>
<td>0.532</td>
<td>0.805</td>
</tr>
<tr>
<td>b) Ranking out of 177 Countries</td>
<td>136</td>
<td>61</td>
</tr>
<tr>
<td>Life expectancy at birth in years (2004)</td>
<td>57.0</td>
<td>73.4</td>
</tr>
<tr>
<td>Adult literacy rate</td>
<td>57.9</td>
<td>88.7</td>
</tr>
<tr>
<td>GDP per Capita in US$ (2004)</td>
<td>409</td>
<td>4,753</td>
</tr>
<tr>
<td>Primary exports as ratio of total exports (200%)</td>
<td>85</td>
<td>23</td>
</tr>
<tr>
<td>Manufacturing exports</td>
<td>14</td>
<td>76</td>
</tr>
<tr>
<td>Telephone lines per % (2004)</td>
<td>14</td>
<td>176</td>
</tr>
<tr>
<td>Internet Users per 1000 (2004)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source: Adei (2007)**

Malaysia today has ten times Ghana’s income per head, and a Malaysian is likely to live 20 years longer than a Ghanaian. She lives in a virtually first world economy with access to internet and the good things of life. The economy is largely a modern one with manufactured goods constituting 76% of exports. On human development level, Malaysia ranks 63 while Ghana trails at 136 out of 177 nations (UNDP, 2006).
III Myths Regarding the Development Path of the Asian NICs Progress

The remarkable improvements in the economies of countries such as South Korea, Singapore, Hong Kong, Malaysia, Thailand, India, and China in Asia demonstrate the potential to transform a poor country to overcome poverty and improve human conditions. At the same time they serve as a rebuke to Sub-Saharan Africa (SSA).

The trouble is that different people draw different lessons from the experiences of the Asian countries like the proverbial seven blind men who tried to describe an elephant from the vantage points each stood to touch the mammoth mammal. In the past, despots in Africa and their intellectual cronies used to counter demands for good governance with the argument that those countries were not all that democratic and yet achieved rapid development. There is no doubt that the regimes in countries such as South Korea and Thailand were not democratic and the leaders were mostly military “strong men”. Evidence of authoritarianism in Singapore and Malaysia cannot be brushed aside. Most of these countries, with the exception of Thailand had one party or leader in office for decades. China still remains socially communist with state control over much of its citizens’ lives. Only India seems to be making it with solid democratic credentials. They have led people in the past to conclude that Africa needs strong men (dictators) to develop. But, if strong-man dictators and despots were the secret for development of the Asian success stories, then Africa should be a haven by now as it had more than its fair share of both dictators and civilian despots.

In the book, “Leadership and Nation Building”, Adei, (2004) debunks the “strong man” popular explanations as to why the NICs made it and Africa did not. That some of them had leaders for long periods is incontrovertible. But Africa has had more than its fair share of leaders with very long tenure in office, with some ruling for over 30 years. Mobuto in Zaire and Eyadema of Togo are obvious examples of this lot who left their countries poor, indebted and in crisis. Even revered African leaders like Nyerere of Tanzania, Banda of Malawi and Kaunda of Zambia who had long periods of rule and were very powerful did not deliver equivalent development breakthroughs. In fact current developments in Zimbabwe and Cameroon, for example, seem to suggest an
inverse relationship between length of rule beyond a point and prospect of development in Africa.

In fact, one of the biggest blots on African history is the fact that many of the venerated vanguards of independence failed miserably as development leaders. They focused on getting rid of the enemy (Colonialists), but did not develop the capacity for economic transformation and in many cases got themselves sucked into a despotic cultural milieu. Dictators, warlords and military strongmen are not sufficient explanatory factors for the developments taking place in South and South Eastern Asia, nor the answer to Africa’s future. The relative experiences of the “Asian Tigers” and Africa do not support that hypothesis.

Another, and even subtler but certainly erroneous argument, and one that is easily accepted today is that prudent macro-economic management, a la “structural adjustment programmes”, was the secret of the success of these nations. But that begs the question as to why African countries used to swing between distortions and adjustment with limited real progress, or why the liberalisation programmes did not yield similar results in Africa. Moreover, there is evidence that often the NICs did not follow economic orthodoxy of the liberal school of unregulated markets and non-interference by governments. In all the South and South Eastern Asian economies like South Korea, Malaysia and Singapore, there was strong guidance and intervention of the State. They avoided the extreme distortions in Africa due to their macro management capacities. There were also the visible hands of the State and national bureaucracy everywhere as they developed infrastructure, provided policy direction and managed economic activities from national points of view. It was leadership and management capacity rather than liberal, laissez faire policies that prevailed.

Neither do explanations such as the slave trade, colonialism, imperialism and neocolonialism of the dependency theorists any longer provide justifiable excuses for the continued poverty and deprivation in Africa decades after independence, and the converse, the reason why the Asian NICs made it. And that is not to deny the negative
impact of these historic injustices. Rather they have outlived being the major explanatory factors of African poverty today. Moreover, the Asian NICs suffered their own versions of Europe imperialism and brutal occupation by Japan.

Even the globalization argument and the consequent marginalisation of African countries (Stiglitz, 2003), while being formidable, cannot fully account for why some nations made it and others did not. For example, the NICs did not have a standing globalisation train to board but had to manage to catch the train while it was still running on its tracks.

Ajakaiye (2007) summarizes the views of the World Bank and others as to key explanatory factors for the remarkable performance of the East Asian countries as follows.

- Adherence to the fundamentals of macro economic management.
- The existence of a bureaucracy to conceive and implement the designs of a ‘strong state’ and to make credible commitment to long term development.
- Government policies aimed at quickening the pace of industrialisation and export of increasing proportion of industrial output.
- The adoption of a pragmatic approach of increasing proportion of industrial output.

That all the above characterized the NICs may be undeniable. The fact remains that they beg the question as to why the Asian countries adopted such measures and Sub-Saharan African countries did not follow suit. In Asia itself the attribution of the high savings rate, supposed good work ethic arising from Confusian culture bothering cultural determinism is negated by the underdevelopment of people of other similar cultures in the region and development of Moslem, Hindu and communist countries. It seems that Asian development was planned by leaders who built capacity for development management with government intervening through land, credit and finance, as well as industrial policies to transform their economies. That is not to deny that it takes the convergence of several factors including situation specific factors for a country to develop as the following section summarizes with respect to the Asian NICs.
IV. Leading Issues in Wealth Creation and Improvement in Human Conditions in South and South East Asian (NICs)

Again, at the risk of high level of abstraction, and drawing heavily on Adei (2007) there are certain key ingredients, which combined in varying degrees to generate the success stories of the NICS. These ingredients stand out consistently and were replicated from country to country. The critical ingredients seem to be:

i. **Active Government intervention in national development.** All the NICs seem to adhere to development planning as instrument of Government direction of economies from indicative planning in the liberal economies to more intensive state involvement in communist China.

ii. **Peace and maintenance of national unity for an appreciable period that enabled the countries to implement an agenda of transformation.** Even in Thailand where frequent changes of regime are evident, the King provided social continuity.

iii. **Capable, patriotic and committed bureaucracy in the form of national think-tank plus efficient, motivated and transparent public services especially the core Civil Service with institutional, managerial and technical capacity for development management of the economy and society.** These agents had capacity to translate policy into operational actions, manage national development and modify policy as appropriate, be it the transition from import substitution to export led development or adoption of ICT and becoming knowledge driven economies.

iv. A credible, realistic and motivating long-term national vision and development/growth agenda that were rigorously but flexibly managed.

v. Sustained effort was directed at changing the mind set, work ethic and economic culture of the people; what Ishmael Yamson (2007) calls a paradigm shift in behaviours and values.

vi. **Creation of an enabling environment for non-state economic actors’ both national and foreign especially private investors to engage in productive activities** and the promotion of public-private partnerships to create a
competitive economy guided by government policy rather than liberal laissez faire theories. Even China is doing the same in designated zones.

**vii.** All the countries display sustained focus to put in place the socio-economic infrastructure and systems needed to support long-term development and growth, especially that of developing skilled and knowledgeable human resources and general reduction in the cost of doing business to become competitive. In particular, functional education and health services, energy supply, transport and promotion of ICT – what development economists know as old-fashioned Rostow’s pre-conditions for “take off” – were and are being undertaken by the NICs.

**viii.** Finally, they all take advantage of global trends and niches from international trade, direct foreign investment flows, changing comparative and competitive advantages, ICT, etc., through the development of national capacities generally (human resources, financial infrastructure and local production capacities).

V. **LEADERSHIP: The Linchpin Factor in National Development**

What is the ignition factor in the virtuous cycles of development that created the NICs and the vicious cycle of underdevelopment that plagued so many African countries for decades?

In “Leadership and Nation Building” Adei (2004) articulates that political and bureaucratic “leadership is cause; everything else is effect”. This is because it is the leadership that supplies the vision, set in place and uses the think tank and assures the adoption of a development agenda.

In a democracy, that leadership may be more diffused as in India but the fact remains that leadership is the prime cause of development because of its indispensable role in a national context which no other agency can replace including:

i. Provision of direction: national mission, vision and goals, in short development agenda.

ii. Strategy setting.
iii. Empowerment of people and mobilization of resources – human, financial, etc.
iv. Management of the development process.
v. Establishment of governance framework and atmosphere for other actors to operate.
vi. Development of other leaders, institutions and capacity building.

The leadership factor in Asian development may be easily missed because the leadership was not monolithic. In Singapore, Malaysia and to some extent South Korea, individual leaders – Lee Kuan Yew, Mahathir Mohammed and General Park, respectively, to be specific – guided the national transformation through the critical periods. In Taiwan, Hong Kong and India political regimes with strong traditions led the way. The Communist party is firmly in charge of the Chinese experiment even though the role of an individual – Deng Xiaoping – is associated with the paradigm.

Leadership is mostly associated with individuals even though no individual alone leads a nation. The important aspect to stress is the effective exercise of leadership function in the form of setting a vision, developing an agenda and mobilizing resources to realize the vision in the face of challenges attendant with change management.

The single most important determinant of the rise and fall of nations is the quality of its leadership. This is what made the difference in South and South Eastern Asian NICs. Thus the sordid development history of Sub-Saharan Africa in the last fifty years should be sought in the gargantuan development leadership failure.

VI. Prospects of Quality Leadership To Facilitate Africa’s Transformation

The factors that account for the development of the Asian countries from Japan to India and China today were the deliberate work of leaders of those nations while

---

1 This session is mostly an abridged version of similar section in Adei 2007.
for most part of post independence African history countries have lacked development leadership. The three most prevalent leaders in Africa have been:

i. The vanguards of independence who were good at securing political independence from the imperialists but did not succeed in delivering development;

ii. Military dictators and warlords; and

iii. Corrupt civilian and military leaders who lacked character, capacity and commitment to deliver national development.

The good news is that there have been notable exceptions. At a high risk of giving living examples, it seems that leadership quality in post-independent South Africa, Botswana and Mauritius, for example, have been high; so is Rwanda today.

There are several factors that seem to be converging to assure that the kind of bad leaders who dominated the African political landscape are not likely to re-emerge on a large scale as happened in the past three decades preceding the 21st century. The same factors also have the effect of bringing evolutionary improvement in the quality of leadership. The factors include:

- First, the changed international context which is less tolerant of bad governance, coup d’états and warlords.
- Second, continental organs such as the Africa Union and sub-regional bodies like ECOWAS and SADC have at last begun to express open displeasure against bad leadership; have intervened when soldiers have taken over the reigns of government and are generally increasing the pressure against misrule.
- Third, leaders who perform are being recognized; and despite its shortcomings, the Africa Peer Review Mechanism, approved by our leaders is historically a good development.
- Fourth, internal demand for good governance in many countries is growing.
- Fifth, African models of good leadership and developments are on the horizon and in five to ten years will become examples and a rebuke to others to emulate.
• Sixth, serious efforts are underway towards rewarding good performers financially at the end of their office.

Effort should still be directed at accelerating the positive developments of leadership in Africa. They include the need to strengthen the supply side of good leaders by training to improve attitudes, capacity and care of the leaders themselves. Mentoring and on the job training in many African contexts for leadership is weak and must be complemented by deliberate training. Such leadership training must be provided in Africa and should include exposure of new leaders to the few mentors.

Growing development leaders will be assisted if our countries would establish formal and more rigorous standards for someone to qualify to hold high office such as the office of a head of state. The qualifications should include intellectual, moral and experiential criteria. In Ghana, for instance, the qualifications to become the President or member of Parliament are less than what is required to be a good clerk in a respectable organization. To be President in Ghana you must be over 40 years, be of sound mind (i.e. not mad) and be literate.

Still on the supply side, the process of selecting political leaders in many African countries favour the corrupt, those who play on ethnicity, and are predisposed to contribute least to national development. We need to look at the process of funding and electing leaders to weed out some bad candidates and even considering upper houses which comprise people who have proven themselves in public life, academia, industry, etc., but are not elected officials.

The other side of creating good leadership is the demand side. We need to cultivate a population that demands good developmental leaders. Civil society must be educated with regard to social responsibility and good citizenship.

The demand for good leadership is principally the business of responsible media, academia, professional organizations and other makers of civilization; in short, the
middle class. The future of this class to demand good leadership has been a major cause of African leadership development deficit.

In “The Promise of Leadership” (Adei, 2004b) a call is made for a deliberate mobilization of 200 leading people or agenda setters in Ghana to form what the author calls “Ghana First Club of 200” who will engender a better and faster pace of improved leadership in Ghana by virtue of their own quality leadership, commitment to ‘corporate Ghana” and their willingness to risk the dangerous art of demanding good leadership in a third world country. You need even fewer people to start a virtuous cycle of sensitizing the populace to demand good leadership by challenging policies, providing alternatives and supporting good governance in non-partisan, non-political ways. Transformational leadership will emerge if there is demand for it.

VII. Conclusion

The South and South East Asian NICs experiences teach us that what is needed is a combination of peace; a national think tank; development agenda; efficient bureaucracy that is not corrupt; prudent development management to create the governance, macro-economic and financial atmosphere to encourage non-state actors to perform; and old fashioned improvement in development infrastructure – education, health, transportation, energy, ICT. In order to achieve these, the Governments of the countries intervened and guided national development.

_The causal agent, however, seems to be quality leadership._ That is what has constrained most African development to date. The vanguards of independence failed woefully to transit to become development leaders. That gave way to despotic military and civilian leaders, even warlords that inflicted the sons and daughters of Africa with so much pain and sometimes more atrocities than the colonialists did.

The African leadership landscape has been improving in the last decade and already the results of improved human conditions are evident from countries such as Ghana, Botswana, Mozambique, South Africa and Mauritius. The prospects are good for the
future. But it requires deliberate effort to increase the supply and demand for good developmental leaders.

SELECTED REFERENCES

Abdallah Aziz (2005) “Development Planning in Malaysia” Presentation at the Fourth ASEAN Senior Officials Meeting on Development Planning, Putrajaya, Malaysia July 14


