

Chapter 8

Globalization/ Liberalization and Poverty Level in Africa: The Role of African Leaders

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ABSTRACT

Despite the flow of foreign direct investment into Africa, there was low human development. Leadership was established as the missing link between high level of globalization in Africa and low economic development. The chapter established the role played by leadership in the relationship between globalization and poverty level in Africa. The chapter postulates that it was time the question of African leadership was directed to the hidden causes of poor leadership behavior instead of the ineffective means of seeking a surface change of leadership style without changing the underlying causes. African leadership mindset was positioned into four quadrants, which accounted for the dark and the bright side of leadership in Africa. Also, it was argued that by changing the African leadership mindset to growth/external mindset, leadership behaviors could be transformed to drive change in structure and management to obtain the gains of globalization.

INTRODUCTION

We must ensure that the global market is embedded in broadly shared values and practices that reflect global social needs, and that all the world's people share the benefits of globalization. -Kofi Annan

This chapter is interested in identifying the role played by globalization/liberalization and African leaders in the poverty level in Africa. Questions directed at finding out if globalization leads to expected development in developing nations will elicit different answers depending on which angle globalization is viewed from. Those who have benefited from globalization will proclaim it to be successful, while those who have not will claim it as a tool for marginalizing the less privileged. For instance, popular

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writers in the continent once proclaimed that globalization was a tool used by the West to initiate another era of colonization in Africa (Prah, 2000; Ngwame, 2001). However, this book chapter aligns with the opening quotation from the late former Secretary-General of the United Nations, Kofi Annan, to the fact that national leaders play a significant role in realizing the dividends of globalization. The word “We” in his comment was addressed to world leaders who were gathered to review the state of the world following years of globalization. The book chapter assumes globalization and liberalization can indeed improve the poverty level in Africa, but that this can only be realized when African Leaders adopt the appropriate leadership style which is driven by an appropriate leadership mindset and a proper understanding of leadership. The fact that some developing countries moved from their backward position into a position of economic boom by the emergence of good leaders is an indication that globalization and liberalization do improve national development when a favorable climate is created (Mukherji, 2009; Tse, 2013; Yew, 2000).

Africa has not been fortunate enough to have a continuous reign of visionary and selfless leaders who can drive the steady development of the continent. Therefore, many writers have mentioned that the problem of Africa originates from its leadership crisis (Mills, 2011; Afegbua & Adejuwon, 2012). The African leadership journey has been characterized either as the dark side or bright side era, depending on the leadership styles of those in authority (Amah, 2019; Jallow, 2014). Unfortunately, the gain achieved in the bright side era has always been eclipsed by leadership activities in the dark side era, thus, leaving the continent with a negative development (Jallow, 2014). The current book chapter argues for a change in leadership driven by a good understanding of leadership and the formation of an effective leadership mindset. In doing this, the book chapter will cover the following areas: the different views of globalization, how globalization can achieve national development, the story of Africa and the role of her leaders, leadership that can drive the success of globalization in Africa, and conclusion.

THE DIFFERENT VIEWS OF GLOBALIZATION

The origin of globalization can be traced to the era when the early humans recognized the need to harness their competitive advantage. Hence, the formation of the concept of “village” described as a conglomeration of families (Amah, 2019). Globalization grew from this humble beginning to its current level due to the roles played by technology and efficient means of transportation. The origin of globalization, however, is as controversial as its definition. Despite the over-emphasis on its economic component, globalization is a multidimensional construct that emphasizes economic, social, cultural, political, and legal dimensions. However, globalization has made progress in its mission only on the economic component. Liberalization, on the other hand, involves removing barriers to economic activities across nations. Thus, globalization created the world as a village, liberalization made the integration of economic activities across this “big village” possible. There are two views in Africa on the effectiveness of these two concepts. The first view is upheld by the anti-globalist who sees globalization and liberalization as tools for the continuous impoverishment of Africa (Prah, 2000; Ngwame, 2001). This view holds outsiders responsible for the woes of globalization and liberalization and does not acknowledge the role of African national leaders in the realization of the benefits of globalization. The other view held by globalist ideology is that globalization enhances development, which in turn leads to the improvement of individual wellbeing in all situations (Diamond, 1998). Proponents of this view claim that poor data analysis is responsible for the lack of identification of the achievements of globalization in some coun-

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