

Public Sector Capacity, Corporate Responsibility, and Corporate Profitability in Africa



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“Africa is beyond bemoaning the past for its problems. The task of undoing that past is ours, with the support of those willing to join us in a continental renewal. We have a new generation of leaders who know that we must take responsibility for our own destiny, that we will uplift ourselves only by our own efforts in partnership with those who wish us well.”

...**Nelson Mandela**

INTRODUCTION

Business activities that boost public sector capacity are profitable and socially responsible. They are profitable because a competent, well-managed public sector creates and sustains rapid economic growth. They are socially responsible because improved public sector capacity enhances governance that is essential if private businesses are to expand and prosper.

Public sector support for private enterprise and industry has a long history. Contract enforcement, the maintenance of law and order, tax incentives to stimulate particular activities, grants for employee training, support for study tours, and financing of infrastructure are just a few examples. Yet, across most of Sub-Saharan Africa (hereafter Africa), the boot is on the other foot. Public sector capacities (human, organizational, institutional, and financial) are limited, the result of too little reform, over-stretched agendas, and decades of slow economic growth. In high HIV prevalence countries, these capacities are declining.

Private businesses have two options – continued detachment or constructive engagement. Remaining detached will result in the further erosion of public sector capacities compromising all possibility of robust economic growth. Constructive engagement provides an opportunity for boosting public sector capacities in ways that accelerate growth. This paper argues that continued detachment is a dead-end whereas private business engagement with the public sector will produce large mutual benefits.

It is easy to make the case that private businesses should cooperate to enhance public sector capacity. What is not easy is to determine how private business support can be effective. With public sector capacities so limited, deciding where to start is not obvious. Organizational and institutional barriers – inflexible labor codes, low staff morale, convoluted procedures, and costly regulations – are widespread. There has been little history of public/private sector collaboration across Africa and mutual distrust is widespread. Even if these matters could be addressed, conflicts of interest and adverse incentive effects (such as “free riding”) could undermine attempts to cooperate.

Yet, it is these difficulties and challenges that make it essential for private businesses to cooperate to upgrade key dimensions of public sector capacity. Lacking such assistance, most African economies continue faring poorly. Their public sectors will not generate the conditions that raise the rate of economic growth and their private sectors will keep on

limping along sustained by the occasional commodity boom, special access to captive markets, and rent-seeking.

The next section describes why private business engagement is needed to boost public sector capacity. Section 3 examines what businesses can do, and with whom, to enhance that capacity. Section 4 reviews the opportunities and pitfalls of private/public cooperation, especially who wins and loses. Section 5 has concluding comments.

BACKGROUND: SETTING THE CONTEXT

Why would any private business that does not need to protect a brand name, exploit a captive market, or extract primary resources for export, keep its resources in Africa? More important, why would any private business now operating in Africa expand its activities in the face of projected future economic growth that, by international standards, is low? These questions are especially relevant in high HIV prevalence countries where public sector capacities are diminishing and the prospects for robust, sustained growth are dim.

Africa's economic performance depends on how these questions are answered. If private businesses decide that their resources can be used more profitably elsewhere, private capital will continue flowing out. If businesses in Africa decide that their existing facilities will adequately accommodate anticipated demand, investment rates (which have averaged well below 20 percent per annum for the last two decades) will remain low.

Recent experience and current performance are not encouraging. Investment rates are unlikely to rise sharply keeping economic growth in check. HIV/AIDS is a further drag. High HIV prevalence accentuates the negative feedback from slow growth to low investment as resources are diverted from and productivity declines. Furthermore, since HIV/AIDS prematurely truncates decision makers' time horizons the incentive to invest weakens. All of these factors conspire to keep economic growth low.

Breaking out of this downward cycle requires appropriate economic policies. The private sector will have to be induced to expand investment so that productivity and income can rise. The challenge, however, is to create conditions conducive to growth.

Doing that requires a shift from historical patterns. Most African countries grew rapidly until the energy and food shocks of the 1970s created large macroeconomic imbalances. African governments responded primarily by financing the imbalances rather than adjusting. The imbalances persisted, economic growth stalled, inflation accelerated, external debt rose to insupportable levels, and poverty intensified. Unable to continue borrowing, African governments turned to the donor community. Donor used their support as leverage to promote economic reform. The results have been poor. World Bank data show that over the period 1980 to 2002 average per capita real income across Africa declined by around 1 percent per annum. With the exception of Mauritius no African country has successfully adjusted and generated rates of economic growth that

have moved it beyond foreign aid. Even so-called “good performers” (Uganda, Mali, Mozambique, Tanzania) remain acutely dependent on foreign aid. Their current policies will keep them that way.

Over the last two years, the rate of growth has risen. International Monetary Fund (IMF) data show that GDP across Africa increased by 3 percent (2002), 3.1 percent (2003), and 4.2 percent (2004). Though this change is welcome, real per capita income has shown only modest advance. More important, the improvements have been too small to convince private investors that Africa’s growth prospects have altered in fundamental ways. Consequently, many businesses and wealthy individuals continue seeking more profitable and secure investment opportunities abroad. Among those keeping their resources in Africa, expansion plans are muted. Both responses undercut efforts by African governments and the donor community to jump-start economic growth.

What needs to be done to boost economic growth in Africa? Who needs to do it, with whom, and over what time period? To answer these questions, it is useful to examine some of the factors that block economic growth? To begin with, it is worth noting that there is nothing fundamental preventing African and other developing countries from growing rapidly. The experience of countries as diverse as Mauritius and China dispel that idea. It is also not true that the world system of trade and exchange has been (and remains) stacked against Africa. Its contribution to world trade and exchange is so small (marginally above 1 percent for both) that none of the large trading blocs has had (or has) any compelling interest to specifically rig world trade and exchange against Africa. In reality, African governments have done that to themselves. Their countries’ contributions to the world economy have been undermined by massively overvalued real exchange rates and rules and regulations that inhibit entrepreneurship, dampen enterprise, impede innovation, and hinder regional integration. No doubt special interests have been relevant in some of these areas but, by far, the most persistent factor has been that African governments lack the capacities to develop the policies and programs that will stimulate and sustain economic growth.

This is ironic. For decades, African governments and their international supporters have emphasized economic growth. For example, economic growth was central to African Unity’s Lagos Plan of Action (1980) and the World Bank’s program to accelerate African development (1981). A similar focus guided the support of a host of other agencies. The emphasis has continued and is now the centerpiece of the New Partnership for African Development (NEPAD), launched in 2001. Stripped of its frills, NEPAD seeks to sharply accelerate growth across Africa. Meeting the goals set for 2015 (halving poverty, reducing the prevalence of HIV/AIDS, promoting universal primary education, and other dimensions of the Millennium Development Goals) requires average growth of 7 percent per annum. This will occur, according to the Partnership, if the investment rate rises from its 2001 level of 20 percent of GDP to 35 percent of GDP and the incremental capital-output ratio (i.e., a measure of the efficiency of capital) falls to five.

Where will the increased investment and managerial and organizational skills come from to meet these ambitious goals? Potential sources of increased investment are the public

sector and its agencies, the international donors, the local private sector, and foreign private investors.

Most African governments and their agencies are already overextended. They have large budget and balance of payments deficits and insupportable debt burdens. Extraordinary efforts are now being made to address these issues through the Highly Indebted Poor Country (HIPC) initiative. Many public sector agencies are in deep financial trouble as deeply as their governments.

What about the donors? Notwithstanding commitments to increase foreign assistance at Monterrey (2002) and several other forums, the donor community is not organized to deliver the additional support African countries need to prosper. For several decades, development specialists have argued that additional foreign aid could compensate for the lack of local investment in Africa. The recent Millennium Compact report restates this view. In 2000, the average domestic savings rate in (Sub-Saharan) Africa was 7 percent of GDP and the annual net foreign aid was roughly 10-12 percent of GDP, accounting for gross investment of roughly 20 percent of GDP. Under NEPAD, donors are expected to raise their assistance by a further 10 percent of GDP. Private investors (local and foreign) would contribute the rest, raising the investment rate of 35 percent of GDP.

Although donors have endorsed NEPAD, they are unlikely to double their net aid to Africa. Much current development assistance is already used ineffectively. Additional aid will not overcome that. Besides, there is considerable evidence that many African countries have not grown *because* of foreign assistance. Many factors have contributed. Perhaps the most significant is that the principle of self-help, in which donors only finance activities to which African governments commit their own resources, has been ignored or subverted.

What about foreign private investors? They, too, are unlikely to provide large amounts of additional resources. Most investments attractive to foreigners – oil, minerals, and tourist facilities – are already being financed. Since 2000, flows of foreign direct investment (FDI) to Africa have averaged around 3 percent of GDP. Under present conditions, this appears to be the upper limit. African leaders and donor agencies have tried mightily to induce foreigners to increase their investment. The effort has been largely misplaced. History shows that FDI typically flows once local investors show they will risk their own resources. That has not been happening.

To summarize, African governments cannot mobilize additional resources; the donors will not provide them; and foreign investors have already made their commitments. If economic growth is to accelerate, the additional resources will have to come from the local private sector. For that to happen, the prospects for rapid, sustained growth need to improve dramatically. This will require African governments to modify what they do, how they do it, and with whom.

BOOSTING PUBLIC SECTOR CAPACITIES

Evidence from the last three decades reveals a host of donor-led initiatives that do not boost economic growth – massive open-ended donor support, aid conditionality, incremental debt relief, deficit finance, and poverty reduction programs. Perhaps the most startling is that donor-driven economic reforms have had such little effect. Though regularly overlooked, the reason is relatively simple. With the notable exception of Mauritius, no African government has been willing to fully engage the private sector in promoting and sustaining economic reform.

Governments and donors alike have assumed that the private sector would respond to whatever policy reforms they chose to sponsor. The reforms were rarely formulated from a business perspective. Moreover, governments and donors provided no credible evidence that the reforms, once implemented, would be sustained. In practice, most reforms were abandoned, deflected, or modified. The private business response was predictable. Private businesses have hedged their bets by lobbying for special incentives, favored access to markets or contracts, cutting one-off deals with public agencies and/or public officials, or shifting their activities to the informal sector. They also devoted much effort and ingenuity working around regulations and other official impediments.

The result has been a game between the government/donors and the private sector that has undercut growth and destroyed national wealth. All groups share the blame. Much of the poor performance of African governments can be traced to the lack of state capacity and bad governance. These issues have received widespread attention starting with the World Bank's 1989 report *Sub-Saharan Africa: From Crisis to Sustainable Growth*. The conclusion: better governance and improved state capacity are essential if growth is to accelerate and be sustained.

International agencies have responded with measures designed to induce African governments to govern in open, prudent, transparent, accountable, and non-arbitrary ways. Many African governments have taken up the challenge. NEPAD, for example, has an oversight (or “peer review”) mechanism that, in principle, ensures that African governments improve their governance. Nonetheless, the approach remains lop-sided. It ignores the private sector. Specifically, it leaves out how private businesses can help their governments raise the quality of governance.

Remedying this deficiency should not be difficult. Government actions influence private businesses through many channels. One of these is the creation of an “enabling environment” for enterprise and entrepreneurship. Such an environment reflects the quality of macroeconomic management; the efficiency with which governments allocate their resources; the consequences for equity and efficiency of tax collection (and non collection); the incentive/disincentive effects of subsidies and transfers; the equity and welfare outcomes of expanding/restricting market access; and the financial/organizational benefits and costs of complying with the government's laws, regulations, restrictions, and prohibitions.

All such efforts to create an enabling environment need to be well grounded. Experience from both rich and rapidly growing developing countries confirms that deficiencies of governance can be overcome but not immediately, or simultaneously. This is where many African reform programs have unraveled. Unwilling to make the necessary choices, African governments have tackled too much, too quickly. They have stretched their agendas well beyond their financial, technical, human, administrative, and organizational capacities. In doing so, the reforms have been pre-programmed to fail.

Selected private business engagement could help break this pattern. Business input would provide governments and the donors supporting them with current, relevant assessments of the policy changes needed to promote and sustain economic growth. More important, increased business engagement would set the stage for expanded investment and improved productivity.

For this cooperation of this type to emerge, private businesses, governments, and donors will need to change their behavior. A useful start has been made through public/private partnerships to confront HIV/AIDS. The challenge is to expand the partnerships to other areas.

ENGAGING THE PUBLIC SECTOR

To successfully engage the public sector, private businesses will need to surmount a number of barriers. Trust has to be established. Governments will need help in shifting their strategy. Agreeing to cooperate with the private sector would be an admission that existing policies cannot revive economic growth. Opposition politicians could readily exploit this. Special interests will be upset when the advantages they enjoy are reduced or eliminated. Favoritism and influence peddling will diminish posing a threat to traditional power bases.

A further drawback is that African businesses have few mechanisms for cooperating among themselves. They have had to learn how to survive in a hostile economic setting. Skills that assure economic survival are often not those that promote economic growth.

The general population is unlikely to be of much help. Weary of economic collapse, most citizens are too busy coping to press their governments to pursue growth-oriented programs. The worst thing about poverty, as the artist Willem de Koonig tersely noted, is that it takes all your time. Furthermore, with representative government still emerging across Africa, few channels are available through which the public can push for such a broad issue as promoting rapid economic growth.

These barriers would pose few difficulties if large numbers of private businesses were to recognize the mutual benefits of cooperating with the public sector. Indeed, that could readily occur if private businesses looked beyond cooperation as an inappropriate blurring of boundaries of private/public responsibility and saw it as an investment designed in moving the economy forward.

To be effective, private business engagement with the public sector needs to be at the macro and sector levels. At the macro level, African businesses will have to help governments scale back the development agenda and ensure that macroeconomic policies are growth-oriented. At the sector level, the critical tasks are to ease (or remove) regulations, restrictions, and organizational inefficiencies that raise transaction/operating costs, dampen enterprise, discourage entrepreneurship, and block innovation.

Macro Level Engagement

All African governments, especially in high HIV prevalence countries, need to sharply curtail their activities. Specifically, they need to match their agendas to their available human, financial, organizational, and institutional resources. Private businesses fully understand this point and regularly reassess whether or not their activities are consistent with their “core competences.”

The persistent budget and balance of payments deficits and the lack of effective plans to remove them are evidence that few African governments act as though they understand this principle, or feel bound by it. This situation provides an entry point for private businesses. They would make a major contribution by helping their respective governments selectively and efficiently scale back the development agenda in ways that enhances macroeconomic management.

Accomplishing these tasks will require high-level private business/government interaction. Numerous approaches are available. In Mauritius, the Chamber of Commerce and Industry meets regularly with senior government officials. These exchanges enable both government and business to deal with threats to economic growth and to grasp opportunities that enhance economic performance.

In the absence of such a mechanism, business leaders could propose to the head of state and senior government officials the formation of a public sector/business economic growth forum. (A useful start could be made with the firms that are supporting HIV/AIDS mitigation programs.) The forum would sponsor a national conference to devise measures to accelerate economic growth. Drawing on the broadest range of views possible, the conference would produce a set of guidelines for government/business task forces to rationalize the development agenda and improve macroeconomic management. There are several examples. During the mid-1980s, the Babangida government in Nigeria sponsored a national debate on the types of reforms the country should adopt. The poverty reduction strategies supported by the IMF follow a similar procedure.

To improve macroeconomic management, a business/government task force would be appointed to devise measures to cut government expenditure, improve revenue collection (including new taxes if needed), normalize the stock of internal and external debt, and move the exchange rate to levels that sustain the economy’s long term competitive advantage. For most African countries, this program will involve significant reductions in government expenditure starting with the overall wage bill; marked improvements in

revenue collection through the suppression of fraud and removal of special tax breaks; elimination of the budget deficit; strict control over new borrowing and the creation of contingent liabilities; and a substantial devaluation of the nominal exchange rate.

These measures are well worn being common to the economic reform (or structural adjustment programs) supported by the IMF, World Bank, and others donors. The main difference with the current proposal is that, from the outset, private businesses have a major stake in the success of the reforms.

To move the process forward, data will be needed to determine how the policies should be modified and to monitor progress. An early task for business will be to help bring the relevant social and economic data up-to-date. These data should be regularly and openly reported so that all participants (private business, government, state agencies, and the general public) can track progress of the joint effort to accelerate economic growth. Making such data widely available is important to prevent recidivism, especially with respect to the budget deficit and external debt, or the inappropriate re-expansion of the development agenda.

Some governments may view these requirements as too demanding or intrusive. They may attempt to fudge them. Private business activism is crucial in this regard. Government officials (including the head of state) need to be openly and regularly reminded that fudging and backsliding can only produce stagnation and decline.

Enhancing Sector Capacities

Efforts to rationalize the development agenda and improve macroeconomic management will reveal technical, administrative, and organizational weaknesses at the sectoral level. These undermine productivity and dampen the incentive to invest. Private businesses are cannot deal with all these problems. They should offer support in areas only where they have the relevant capacities. Opportunities abound. Government departments in Africa need help with personnel management, recruitment, inventory control, restructuring work routines, upgrading computer skills, accounting, budgeting, auditing, and training (especially the training of trainers).

There is no “cookie cutter” approach. Nonetheless, some examples indicate what is involved. In the mid-1990s, Zambia used a business/government/public agency task force to successfully revise its mining sector legislation. The contribution of private sector companies (which included two of the largest mining houses in the world) was critical in bringing Zambia’s regulations into line with international practices. Such task forces/working groups would help foster trade and exchange, streamline customs procedures, normalize labor relations and employment policies, restructure health and retirement benefits, revamp transport infrastructure, reform the agricultural marketing system, expand rural communication, and increase efficiency in government material use and tendering procedures.

Auditing and accounting are areas in which African governments require support. National audit offices are often several years in arrears reviewing the accounts of government departments and public sector agencies. By the time fraud is uncovered, the trail has gone cold, the officials involved have been reassigned, and relevant files have disappeared. African businesses can help by providing on-the-job training for junior auditors and/or developing appropriate short courses.

Particular attention should be devoted to business/government cooperation designed to reduce transaction costs. African businesses could work with sector ministries and relevant agencies (revenue departments, the transport authority, or immigration department) to identify and remove the fees, charges, restrictions, quotas, and prohibitions that needlessly raise costs, lower productivity, and impede enterprise. The exercise would not remove fees and charges and restrictions that serve useful social purposes. The objective would be to eliminate the barriers, blockages, hurdles, and other constraints that undercut activities that contribute to growth. In many countries, this may mean closing down the agencies (including one-stop investment shops) that impose these restrictions. For the government, the goal of such an exercise would be to lighten the regulatory burden by retaining restrictions (e.g., the prohibition on the importation of fissile material, or the sale of sub-standard drugs) that raise public welfare. For the business community the goal would be to lower compliance costs and improve competitiveness.

Some success has been achieved in sector cooperation. Beginning in 1992, the Cabinda Gulf Oil Company in Angola has worked with local government agencies to screen blood collected at the blood transfusion center. Staff members were trained and blood-screening equipment was provided. The outcome has been to minimize the risk (formerly exceedingly high) of passing on HIV, hepatitis B, and syphilis in blood transfusions. A similar partnership between Chevron-Texaco and the Cabinda authorities has sought to reduce the spread of TB by staffing DOTS clinics. The Kahama Mining Corporation in Tanzania has engaged the local government, NGOs, and community leaders to improve local infrastructure – housing, schools, health facilities, and water supply – as part of its mine development program. Started in 2000, this initiative is already stimulating the involvement of a broad range of the local population. In South Africa, BMW has expanded its health care program into the broader East London community. This is based on the recognition that for work-based HIV/AIDS programs to succeed, the epidemic has to be addressed in the communities where workers live and socialize as well. In Nigeria, President Obasanjo's direct involvement has induced a growing number of Nigerian businesses to support public/private programs to prevent and mitigate HIV/AIDS.

Some businesses may acknowledge that action to boost public sector capacity is needed but be unwilling or unable to participate directly with government. There are other ways to assist. In Kenya, many businesses support sports clubs that organize training and competition for children and youths. The activities provide constructive alternatives for young people. Many activities include programs that improve personal health, prevent the spread of HIV, and foster pride in the local community. Other businesses could cooperate in activities similar to the “adopt a highway” campaign in the United States.

Businesses sponsor the cost of removing litter from designated stretches of highways. Translated from highways to neighborhoods streets or buildings, for example, the program could be used to clean up rubbish, improve local sanitation, and raise the overall quality of life in towns and cities across Africa. These activities release scarce public resources that, with effective supervision, could be spent in ways consistent with the stripped down development agenda.

There are many other activities that businesses could support. Helping to maintain standards in public education. Providing scholarships for girls has several advantages. Girls remain in school thereby improving their education and subsequent success as parents. Scholarships augment school revenue allowing programs to be maintained and even expanded. Keeping girls in school reduces the attraction of ‘sugar daddies’ and enables girls to postpone and perhaps even avoid the type of risky behavior that spreads HIV. Many schools lack basic texts. Colleges and universities do not have up-to-date journals and reference books. Most of them cannot afford to hire replacement teachers/lecturers to ensure program continuity in the face of AIDS losses. Additional funds provided by local businesses for these purposes would have significant effects on the quality of education. These contributions may be made directly or through NGOs. An example of the latter is the Global Health Fellows program initiated by Pfizer in 2003. The Fellows work on a range of health-related issues all intended to strengthen local capacities.

Businesses that cannot provide financial or material support can always become advocates for policies to accelerate economic growth. Advocacy is an essential aspect of improved governance. It helps to mobilize public support and promotes the transparency and accountability that are essential to economic progress.

A final advantage of private business engagement with government is that it provides a useful local counterweight to the influence (often heavy-handed and inappropriately demanding) of the donor community. For the majority of poor countries, donor support is a fact of life. Making aid effective is a daunting and ongoing challenge. By helping governments keep their agendas matched to their capacities, private businesses can raise the efficiency of all resources, public and private.

CONCLUDING COMMENTS

If African countries are to reduce the degree to which they are marginalized in world trade and exchange, their governments need to promote and sustain rapid economic growth. Rapid economic growth will only occur if investment increases and productivity rises. These are major challenges under normal circumstances. The spread of HIV/AIDS compounds the difficulties.

Given existing resource constraints, large increases in investment and sustained improvements in productivity can only materialize if the private sector becomes fully

engaged in the growth process. So, however, there have been few incentives to induce private business to become engaged.

A shift in strategy is needed. Private businesses across Africa should help (and, if need be, pressure) their governments to improve the quality of governance. This will require changes at the macro and sector levels. At the macro level, private businesses and governments have to scale back the country's development agenda. This will more efficiently match what governments are attempting to their capacities and raise the standard of macroeconomic management. At the sector level, African businesses will need to work with governments to minimize the inefficiencies created by regulations, taxes, and fees; remove distortions and other impediment; improve organizational and operational procedures so as to reduce transaction costs; and remove/modify barriers that impede enterprise, stifle entrepreneurship, and obstruct innovation. These changes will help revive growth and, by doing so, increase the resources available to African countries to address their pressing development problems including those associated with HIV/AIDS.

Putting these changes in place will require an extraordinary degree of public/private cooperation. That cooperation may not materialize. Decades of business/government antipathy are not easily overcome. Some businesses may object to providing the type of support suggested here because, having already paid their taxes, they see the areas as the government's responsibility. This is true but beside the point. Without private business engagement, sustained economic growth will not occur.

For African economies to have an expansive future, past patterns of counterproductive behavior have to be broken. Initial steps to build trust are needed. The challenge is to induce a shift in government and private business behavior from activities that subtract value to forms of cooperation and joint action that add value and generate wealth.

The approach suggested in this paper cannot be one-off. The need for public-private cooperation to promote economic growth will not disappear once growth accelerates and African countries begin moving beyond the HIV/AIDS epidemic. Some public sector capacities will always need enhancing and some private sector engagement will always prove useful. As African governments improve their management capacities, the need for direct private business engagement on the scale envisaged here will diminish. That point, however, lies well into the future. In the interim, private businesses across Africa need to actively help boost public sector capacities. Continuing to stand aside is not an option. It is not profitable; it is not socially responsible. Everyone loses.

AUTHOR

Malcolm McPherson holds a Ph.D. in economics from Harvard University. He was trained as a development economist specializing in monetary theory and policy. He joined the Harvard Institute for International Development (HIID) in 1982. During his career with HIID, he was senior advisor to macroeconomic management and capacity building projects in The Gambia (1985-1989) and Zambia (1992-1996). His consulting assignments in Africa have included work in Senegal, Ghana, Kenya, Uganda, Ethiopia, Botswana, Mauritius, Namibia, Sudan, Malawi, Nigeria, The Gambia, and Zambia. He has published widely on development issues, the most recent including two volumes on restarting and sustaining economic growth in Africa and an edited volume on promoting economic reform in Zambia published in 2004 by Harvard University Press. Since the closure of HIID, McPherson has been with the John F. Kennedy School of Government where he was Faculty Chair of the Workshop on Budgeting and Financial Management in the Public Sector and worked with the Center for Business and Government on issues related to the impacts of HIV/AIDS on human capacity, institutions, and economic growth.