



**POLITICAL ECONOMY OF PREDATORY STATES AND SUSTAINABLE
DEVELOPMENT IN SUB-SAHARAN AFRICA**

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Abstract

Sub-Saharan countries such as Nigeria, the Democratic Republic of Congo, Equatorial Guinea and Gabon are among the leading oil-producing countries. But the inability of these states to use their natural resources for growth and development has become a problem for many people. This study attempts to examine the effects of predatory tendencies on sustainable development in sub-Saharan Africa. In addition, secondary data such as textbooks, magazines, internet sources, etc. were used in this study, while content analysis was used to analyze the data collected. This study found that oil-rich sub-Saharan African countries such as Nigeria, Angola, the Democratic Republic of the Congo, Equatorial Guinea, and Gabon are promoted in enclave production centers, particularly off the coast, allowing royalties and other agreements to be negotiated directly with foreign companies. This study also showed that government effectiveness, transparency and accountability, quality of regulation and the fight against corruption are weak in these states. In addition, technical restrictions such as inefficient contract negotiations, insufficient auctioning of subsidy rights, inefficient taxation, poor prioritization of public spending and the almost lack of

transparency in the use of income are factors that are responsible for displacement tendencies in these countries. Finally, the leaders of predatory states in Africa employ various violent and non-violent strategies to manage their resources.

Keywords: Predatory state, Corruption, Patron-Clients, Sustainable development, Sub-Saharan Africa

Introduction

The concept of the predatory state is not a new phenomenon in academic literature but has emerged as an unintended consequence of states' pursuit of economic freedom. Today, the concept of overexploitation has become a public choice problem that has drawn the attention of scientists and researchers around the world. In addition, the substantial body of studies of economic growth and development has identified the role of government policy in promoting or hindering development in any state. In addition, government policies that promote economic growth and development in each state are expected to induce comprehensive prosperity in the state, thereby changing the existing pattern of political power distribution in states in a way that is detrimental to the political elites who controls the means of production and distribution. Even if government policies to promote economic development, such as building infrastructures like roads, water pipes, housing, and good schools, are incompatible with maintaining the political status quo, this enables political elites to be predatory (Robinson 2001).

It is pertinent to note that if the cost or chance of becoming predatory is too high, it would mean that the political elite in the state is choosing to promote development to respond to threats to their power through other means such as the use of state institutions like the military and other security forces to suppress the citizens. It is important to note that if the future political power winners in a state cannot make credible commitments to promote good governance, the political power winners

will have no choice but to retain political power in the state rather than develop. Over the years, predatory behaviour has emerged in many African states such as Nigeria, Angola and Gabon, where the benefits of political power are great and there are well-endowed natural resources but fraught with factors that are not complementary to public investments, like human capital, and are inherently unstable, perhaps because they have illegitimate states or because society is highly politically mobilized. This explains why we have seen developing elites in East Asia and predatory elites in Africa. Much of the relative economic output of these regions is attributed to good politics in East Asia and bad politics in Africa.

In an attempt by researchers to study the nature of predatory states certain words have been applied to clarify the meaning they convene for the proper understanding of the function of the leadership within the state. For instance, the idea of developmental elites" have been applied to describe political elite which chooses policies to promote development, while predatory" to describe elites that do not apply policies to promote development. This terminology is standard in the wider social science literature (Evans, 1989). On the whole, in many Sub-Saharan Africa, what makes a policy be considered as been good or bad depends largely on how the state is controlled by the political elite whose goal is primarily to exploit the citizens. The prevalence of bad policy is often associated with many states in Sub-Saharan Africa because even self-serving governments regularly have the motivation to promote development if they could extract massive wealth (Robinson 1999). By and large, this investigation seeks to examine the effects of predatory tendencies on sustainable development in Sub-Saharan Africa.

Conceptual issues: Predatory state

The term predatory state is one of the contestable ideas in political economy literature. North (1981:22) sees the predatory state as the agency

of a group or class; its function (is) to extract an income from the remainder of the constituents in the interest of that group or class. This predatory state attempts to maximize government income subject to the constraints posed by its bargaining position, the transaction costs involved, and the rate of time preference of the ruling group (Levi 1988).

Galbraith (2008: 146) defines a predator state as "a system where entire sectors have been designed to feast upon public systems built originally for public purposes". The Predatory state is meant for a general audience, but it should not mislead this audience. Professor Galbraith is correct in one observation. There are private interests that feed upon ostensibly public institutions.

There are many definitions in the political economy literature on sustainable development. However, the most frequently cited definition of sustainable development is proposed by the Brundtland Commission (Cerin, 2006; Dernbach, 1998; Dernbach, 2003; Stoddart, 2011). The concept of sustainable development became known in 1987 by the Bruntland Commission, which published its report "Our Common Future" to link the issues of economic development and environmental stability. The report defines sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs (United Nations General Assembly, 1987: 43). Although somewhat vague, this concept of sustainable development aims to maintain economic progress while protecting the long-term value of the environment; it provides a framework for the integration of environmental policies and development strategies (United Nations General Assembly Report, 1987).

Literature Review: Political Economy of Predatory state

Recent studies of economic growth and development have shown the role of government policy in promoting or hindering development (Krueger 1993; Lal & Myint 1996). While studies by Barro (1996) and Przeworski & Limongi (1993) have shown that there is no robust empirical relationship between policy and regime type, but studies by Barro (1996) and Przeworski & Limongi (1993) have shown that the relationship between dictatorial, democratic regimes and economic growth is ambiguous. Tilly (1985) sees the formation of modern European states as a quintessence of protection rackets with the advantage of legitimacy (Cox, 2010: 2). Studies by North (1981), Bates and Lien (1985), Levi (1988) and Wintrobe (1998) have shown the predatory nature of state formation and functioning over the years. Levi (1988) developed the idea in her study that good politics has a time lag because it involves investments, so elites have to have a long time horizon if they are to be viewed as developmental. Wintrobe (1998) has also developed a formal theory of dictatorship, but his study does not focus on the conditions under which such regimes promote or fail to promote economic development.

Roemer (1985), Skaperdas, (1993) and Grossman (1991) studies the general equilibrium designs in which political power could be contested by collective action and revolution. Grossman (1993) studied how redistribution could be utilized to reduce the threat of revolution. Gambetta, (1993) asserts that a don focus on privacy protection. In the same vein, McGuire and Olson (1996) believe that interest elites have in society, to a larger extent is the incentive to provide an efficient level of public goods. McGuire and Olson's analysis is incomplete because they do not model what North (1981) called the 'competition constraint' on an elite. Again, North (1981) states that efficient policy might not maximize the revenues of a ruler owing to transactions costs.

Rajan and Zingales (1996) have examined how technological innovation may be blocked because the wealth impacts of compensation affect bargaining power and their model has inseparability between efficiency and distribution which is connected to one of the present models. Similarly, Olson (2000) sees predatory states as a state in which the motive of their ruler is public protection. Olson's (2000) studies demonstrates that autocrats as "stationary bandits who seek to maximize their tax revenues, net of the cost of protecting their citizenry from other bandits, such as a king or dictator, offers protection in exchange for taxes.

Acemoglu and Robinson (2000) showed that institutional changes, such as democratization, were an alternative instrument to redistribution when faced with the threat of revolution. Bourguignon and Verdier (2000) built a model where the anticipation of endogenous political participation influences government policy towards education. Robinson (2001) argues that the effect of development on the distribution of political power in society may create an incentive for a state to and attempts to fail to promote economic growth and development. Robinson, (2001) works on what is a state predatory show: "that predatory behaviour is likely to emerge in societies (1) where the benefits of political power are large, (2) which are well endowed with natural resources, (3) which are badly endowed with factors which are complementary to public investment, such as human capital, and (4) which are intrinsically unstable, perhaps because they have illegitimate states, or because society is highly mobilized politically" (Robinson, 2001:3).

In addition, Robinson's studies have shown why we saw developing elites in East Asia and predatory elites in Africa. The relative economic performance of East Asia, on the other hand, is attributed to good governance (Aoki, Ki Kim & Fujiwara 1997; Rodrik 1998). Scientists such as Rodrik (1996) and Campos and Root (1995) attributed the differences

between the economic performance in East Asia and Africa to their relatively high human capital and lack of natural resources. In addition, Dixit (2006) argues in his study on the “Predatory States and the Failing States: An Agency Perspective that middle-level bureaucrats” help explain state failures in the delivery of public goods. He discovered that some theoretical arguments supported this claim that failure is more likely in states whose top leadership has predatory tendencies. He further argued that when the cost of the middle-tier bureaucrats for providing the public good is their private information, the leaders usually give incentive rents to middle-tier bureaucrats to obtain truthful revelations (Dixit, 2006: 2-6).

Cox (2010) study of predatory states and the protection market showed how preeminent rulers were. However, Cox (2010) argues that in the past, kings had as many options as modern autocrats. He further argues that the monopoly of violence is perceived as a reason for protecting private individuals, associations and the public. From the foregoing, none of these studies suggests or investigates the relationship between predatory states and economic development in Africa. African leaders are in most cases less willing to part with such rents; Therefore, they tolerate a stronger downward bias in the provision of public goods to reduce the required rental participation. A critical analysis of the nexus between benevolent rulers and more caring or professional bureaucrats shows that these effects manifest themselves in different dimensions and forms as well as under different information conditions (Dixit, 2006: 2-6) relationship between the Predatory States and Sustainable Development in Sub-Saharan Africa. Against this background, our research efforts should contribute to this research project.

Political Economy of Predatory states in Sub-Saharan Africa

One of the major attributes of most predatory state in Africa is that the nature of power configuration is designed in such a way that there is the

concentration of power at the top and the personalization of networks for delegation of this power at the bottom, which is enforced by ruthless repression by state apparatus like the Military, Police and other security operatives. In this context, economic inducements for government officials and generalized as well as the institutionalization of corruption are the government way of doing business (Castells 2000). In country like Nigeria, the Armed forces are often employed to monitor elections and, in some cases, they are used by the political class to rig elections. Similarly, Callaghy (1984: 418) notes that former Congo President Mobutu has been quite successful at controlling his military leaders so far, but the methods he uses have directly retarded growth in military "effectiveness."

Callaghy (1984: 16) sums up the situation nicely when he notes by controlling participation, actually by organizing 'de participation' less outright coercion may have to be used." In recent, time even in Nigeria, the military has been applied to suppress the wishes of the citizens like the Ekiti and Rivers states elections in 2014 and 2019 general elections. Also important is that the Military, Police and other security operatives are deployed to repressing the citizens and to intimidate oppositions like in Cameroon, Libya, Mali, Chad, Niger and Senegal among other countries within the Sub-Saharan region. This is attributed to the predatory tendencies of these states.

The classic example of predatory tendencies in Congo was during the regime of late Mobutu Sese Seko, who for many years was a dictator of Zaire (Congo) who asserts that: he will never build any roads; that will make it easier for his enemies to reach the capital. Mobutu saw infrastructure as increasing the capability of citizens to organize in collective action against him. Kabwit (1979) noted that the belief that the road system in Zaire had simply disintegrated" during the Mobutu regime, with only six thousand miles left out of an original ninety

thousand at the time of independence. The evidence is evident that Mobutu saw an underdeveloped, fragmented society as key to maintaining his control of the country (Callaghy, 1984, and Young, 1983). In the context of Mobutu, Evans (1995) argues, extracting a larger share from a shrinking pie is not the optimal way to maximize revenues, but it may be the only way consistent with the survival of predatory states.

Also, governance in predatory states have two major consequences on state resource, wealth and revenue management, especially in Sub-Sahara Africa. First, access to state power is equivalent to access to wealth and to the sources of future wealth not an end in itself. This explains the reasons for seat tight leadership and monumental corruption in most African states as politics is seen as a way to an end. For instance, in Congo, Nigeria, Cameroon, Botswana, Mali, Central African Republic, Burundi and Burkina Faso just to mention a few, politics is perceived as a means to wealth. For instance, President Mobutu and his family also acquired a large amount of wealth. Turner and Young (1985: 179-181) record that Mobutu's conglomerate CELZA owned about 26% of rubber output, 23% of cocoa, 15% of tea and 13% of palm oil. It and related interests were also estimated to hold almost 50% of national cattle holdings. Callaghy (1984: 179) records that in the 1970s Mobutu put aside between 17% and 22% of the government budget for his personal use. For example in the case of Zaire, Thomas et al (1985:248) argue that the hegemony and power of the state rest upon the force it controls, but that force is unreliable in times of crisis, its depredations undermine the reliability of the state, and its capricious actions may threaten the state itself.

In addition, predatory states such as Angola, Nigeria, Equatorial Guinea, Mali, Mauritania, Niger, Ivory Coast, Zimbabwe, Cameroon, Chad, Gabon, Sao Tome and Principe, and DR Congo and Congo use different violent and nonviolent strategies to deal with minerals and oil resources

and appropriate the income from their exploitation and sale. In oil producing countries in sub-Saharan Africa, where minerals are extracted in enclave production centers that are sometimes offshore, particularly in countries like Nigeria, Angola, Congo, Gabon and Equatorial Guinea, the common strategy is to get royalties and other agreements directly negotiate with foreign oil and gas companies. These illegal businesses are often shrouded in mystery, making it difficult and impossible to track how much money is being generated in these states or how that revenue is being spent.

Political support in predatory states in Africa is also based on client networks that connect those in power with parts of the population. This explains how elites are gaining political support and consolidating clientele, while maximizing the number of resources required to obtain that support. These networks are formed along ethnic, regional, territorial, religious and economic lines. This is a common trait in democracies like Nigeria, Angola, Equatorial Guinea, Malawi, Mauritania, Niger, Ivory Coast, Cameroon, Chad, Gabon, Sao Tome and Principe, and the DR Congo and Congo (Castells, 2000). Harford (2006) reports on predators in Cameroon. He accepts that Paul Biya's government is acting like a bandit, but asks why they are not robbing the country efficiently, even though Biya's reign is long and seemingly permanent: he gets around 75% of the vote in semi-fair elections. Harford replies that Biya is not as much in control as it initially seems ... Whether Biya is the head bandit or not, there are plenty of little bandits to be satisfied. Biya is the director and the little bandits are his agents, but he cannot control them perfectly. The need to operate through the intermediate layer or layers of administration creates the usual problems of action for those in power. They have to rely on the bureaucracy to access the information essential to their policy making and can only monitor the actions of the bureaucrats with the help of other bureaucrats (cited in Dixit 2006: 4-5).

In addition, it is important to note that policy implementation is therefore a principal-agent problem, with the chief ruler being the principal and the bureaucrats being the agents. The political mechanism used to optimize its goal, subject to the agent's incentive and participation restrictions. As usual, the optimal solution requires sharing a portion of the rent with the broker to give them the incentive to divulge the information and take appropriate action. The client's desire to keep the cost of foregoing this rent low also entails a change or distortion of the actions themselves. How much rent the client pays the agent optimally and how much distortion they tolerate in order to keep the rental transfer low depends on the client's goals? The agent's misconduct depends on the degree of his selfishness compared to his innate concern for the well-being of citizens, which results from either benevolence or professionalism (cited in Dixit 2006: 4-5).

Laffont (2000) regards politicians as selfish and corrupt; Its chief commissioner is the constitution-maker, who lays down the rules, restrictions, incentive systems and control mechanisms for politicians in order to maximize the benevolent goal of maximizing the total social surplus, subject to the limitations of the instruments resulting from various information asymmetries. However, the acceptance of goodwill at the highest levels of government appears unrealistic for weak or failing states and perhaps also for many other states (cited in Dixit 2006: 4-5). Therefore, the disorganization of civil society is an indispensable prerequisite for the political survival of predatory rulers. The formation of an entrepreneurial class interested in industrial transformation would be almost as dangerous as promoting the political organization of civil society.

Overall, the predatory nature of most states in sub-Saharan Africa makes it difficult for most of these states to achieve sustainable economic growth

and development. This is because resources dedicated to socio-economic and political development are meant to pay rents. The implication is that the relationship between leaders and followers is defined in terms of the patron-client relationship.

Conclusion and Recommendations

Much scientific research has been carried out on states and state formation in the literature of African political economy. These studies have provided research on interpretations of the impact of African oil production on sustainable development in sub-Saharan Africa. The predatory states in Sub-Saharan Africa have been unable to maintain economic growth and development in their respective countries due to the negative effects of the predatory on sustainable development, which have further exacerbated the level of corruption in these states despite the abundance of rich material resources in these states to promote. A closer look at the nature of governance in predatory states in Africa should identify patron-client relationships that have damaged governance. Today, most sub-Saharan African countries such as Nigeria, Congo DR, Congo, Angola, Equatorial Guinea and Gabon are unable to make significant progress in improving economic development due to the predatory tendencies of these countries.

First, citizens of sub-Saharan African countries, most affected by predatory tendencies, should demand critical reforms from their respective governments, transparency and accountability in governance that will enable governments of their respective countries by exposing every act of corruption in the system. Among other things, this will lead to the fact that most of the predatory states in Africa are careful to pass laws and create important institutions to help in the fight against corruption. Finally, public criticism from citizens and the international community is also needed to discourage patron-client relationships that have fueled corruption in most of sub-Saharan Africa, which are mainly predatory.

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