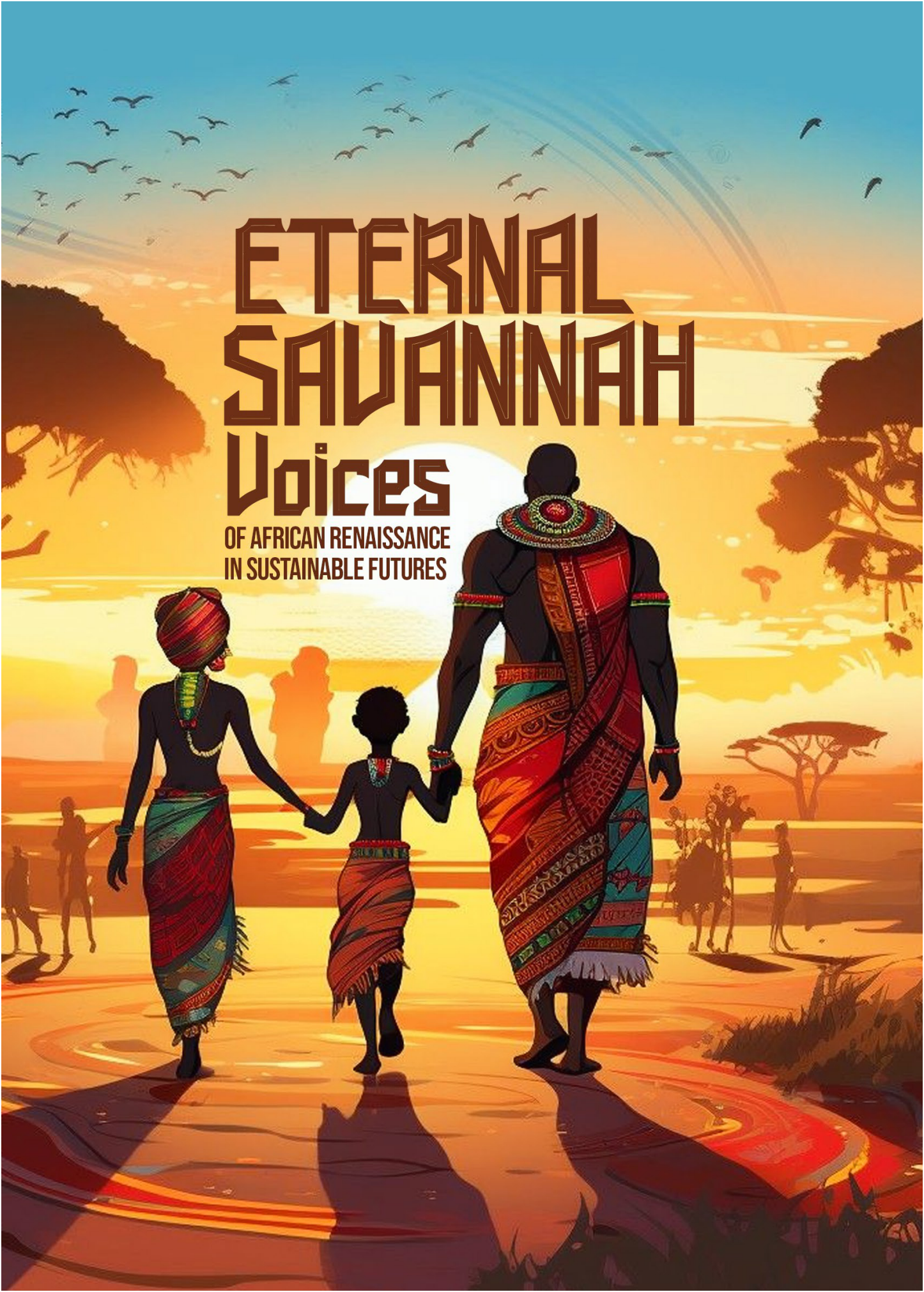


ETERNAL SAVANNAH Voices

OF AFRICAN RENAISSANCE
IN SUSTAINABLE FUTURES



**ETERNAL SAVANNAH
VOICES OF
RENAISSANCE IN
SUSTAINABLE FUTURES**

Edited by Lucy Anning

**ETERNAL SAVANNAH VOICES OF
RENAISSANCE IN SUSTAINABLE FUTURES**

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ISBN: 978-978-699-396-6

Published by DevAfrica Institute

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PREFACE

African Renaissance and Sustainability Engagement (ARISE) Series, Edited by Lucy Anning

The *African Renaissance and Sustainability Engagement (ARISE) Series* explores how Africa's vast natural resources, indigenous knowledge systems, and youthful innovation can be harnessed to reframe the development nexus and secure sustainable futures. The series interrogates how African societies are responding to enduring challenges of poverty, inequality, corruption, and governance while simultaneously advancing new paradigms of green industrialization, sustainable agriculture, and social justice. In so doing, ARISE situates Africa's renaissance not as an imitation of external models, but as a self-determined project of creativity, resilience, and transformation.

The series foregrounds vital new research that combines empirical rigor with conceptual sophistication, presenting interdisciplinary perspectives on economics, education, religion, health, migration, peace, and trade. It draws attention to the dynamic interplay between Africa's cultural heritage and modern innovation highlighting key aspects such as, the role of science, technology, engineering and mathematics education in advancing knowledge economies, enhancing youth entrepreneurship for African continental development and the potential of orthodox and traditional medicine in promoting health sovereignty. Each volume positions Africa as a laboratory of solutions, where local ingenuity meets global challenges. Each volume is co-edited by the series editor in collaboration with established scholars in the field, and features comparative and context-rich case studies authored by both early-career and senior African scholars and government officials or diplomats to capture both the theoretical and practical dimensions of African Renaissance. Thanks to contributors' diverse disciplinary and professional backgrounds, the chapters offer uniquely practical suggestions for policy, legislation, and practice, making the series a valuable resource for academics, policymakers, practitioners, and civil society.

Titles include:

Resource Curse Hypothesis,

Sustainable Agriculture

Green Frontiers: Innovation, Green Financing, Industry, and Inclusive Growth in Africa

Faith, Knowledge, and Development captured in Religion and Education in African Futures

Trade, Integration, and the AfCFTA

Pathways to Continental Solidarity

Migration, Peace, and Security

Rethinking Africa's Stability Architecture

Série « Renaissance africaine et engagement en faveur de la durabilité » (ARISE), sous la direction de Lucy Anning

La série African Renaissance and Sustainability Engagement (ARISE) explore la manière dont les vastes ressources naturelles de l'Afrique, ses systèmes de connaissances indigènes et ses jeunes innovations peuvent être exploités pour recadrer le lien avec le développement et garantir des avenir durables. La série s'interroge sur la manière dont les sociétés africaines répondent aux défis persistants de la pauvreté, de l'inégalité, de la corruption et de la gouvernance, tout en faisant progresser les nouveaux paradigmes de l'industrialisation verte, de l'agriculture durable et de la justice sociale. Ce faisant, ARISE situe la renaissance de l'Afrique non pas comme une imitation de modèles extérieurs, mais comme un projet autodéterminé de créativité, de résilience et de transformation.

La série met l'accent sur de nouvelles recherches essentielles qui allient rigueur empirique et sophistication conceptuelle, en présentant des perspectives interdisciplinaires sur l'économie, l'éducation, la religion, la santé, les migrations, la paix et le commerce. Elle attire l'attention sur l'interaction dynamique entre le patrimoine culturel de l'Afrique et l'innovation moderne, en soulignant des aspects clés tels que le rôle de l'enseignement des sciences, de la technologie, de l'ingénierie et des mathématiques dans l'avancement des économies de la connaissance, le renforcement de l'esprit d'entreprise chez les jeunes pour le développement du continent africain et le potentiel de la médecine orthodoxe et traditionnelle dans la promotion de la souveraineté en matière de santé. Chaque volume présente l'Afrique comme un laboratoire de solutions, où l'ingéniosité locale répond aux défis mondiaux.

Chaque volume est coédité par l'éditeur de la série en collaboration avec des universitaires reconnus dans le domaine, et présente des études de cas comparatives et riches en contexte, rédigées par des universitaires africains en début de carrière et de haut niveau, ainsi que par des fonctionnaires ou des diplomates, afin de saisir les dimensions théoriques et pratiques de la renaissance africaine. Grâce à la diversité disciplinaire et professionnelle des contributeurs, les chapitres offrent des suggestions pratiques uniques en matière de politique, de législation et de pratique, faisant de cette série une ressource précieuse pour les universitaires, les décideurs politiques, les praticiens et la société civile.

Parmi les titres, citons

Agriculture durable

Frontières vertes : Innovation, financement vert, industrie et croissance inclusive en Afrique

Foi, connaissance et développement : la religion et l'éducation dans l'avenir de l'Afrique

Le commerce, l'intégration et la zone de libre-échange africaine

Les voies de la solidarité continentale
Migration, paix et sécurité
Réimaginer l'architecture de stabilité de l'Afrique

“非洲复兴与可持续发展参与”系列，露西·安宁 主编

《非洲复兴与可持续发展系列》（ARISE）探讨了如何利用非洲丰富的自然资源、本土知识体系以及青年创新力，重塑发展路径并确保未来的可持续发展。该系列审视了非洲在应对贫困、不平等、腐败和治理等长期挑战上做出的努力，同时推进绿色工业化、可持续农业和社会正义等新发展模式。由此，ARISE 将非洲复兴视为一个具有创造力、适应力与变革力的自主化进程，而不是对其他发展模式的简单模仿。

该系列着重介绍了兼具实证性与理论深度的重要新研究，提供了关于经济、教育、宗教、健康、移民、和平与贸易的跨学科视角。突出若干关键议题，例如科学、技术、工程与数学教育在推动知识型经济中的作用、青年创业对非洲发展的推动意义，以及传统医学与现代医学在促进健康主权方面的潜力。该系列的每一卷都将非洲定位为孕育解决方案的实验场。在这里，本土智慧与全球挑战相互交汇。

每一卷均由该系列的编辑和该领域的资深学者共同撰写，并收录了由非洲青年学者、资深学者、政府官员或外交官的比较研究与案例分析，旨在全面呈现“非洲复兴”的理论与实践。得益于撰稿人的多元学科与职业背景，各卷能够提出独到而切实可行的政策、立法与实践建议，使本系列成为学界、政策制定者、实践工作者及公民社会的重要参考资源。

标题包括：

“可持续农业”

“绿色前沿：非洲的创新、绿色融资、产业与包容性增长”

“宗教与教育中的信仰、知识与发展：非洲未来之展望”

“贸易、一体化与非洲大陆自由贸易协定”

“非洲大陆团结之路”

“移民、和平与安全”

“重塑非洲的稳定架构”

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FOREWORD

Africa, often mischaracterized as the world's last frontier of development, is in fact, also its frontier of possibilities. The continent's vast natural wealth, cultural heritage, and demographic dynamism present some challenges as well as unparalleled opportunities for charting new and time-tested pathways of transformation. The book, *Eternal Savannah Voices of African Renaissance in Sustainable Futures*, emerges at a critical juncture in the twenty-first century, when narratives of dependency and deficit increasingly give way to discourses of agency, resilience, and innovation. The metaphor of the "eternal savannah" is not merely geographical in context as it embodies continuity, rootedness, and a horizon of endless renewal, signalling that the African Renaissance is not an abstract aspiration, but a living reality anchored in people, land, and vision.

The central promise of this volume lies in its deliberate trans-disciplinary approach. Unconfining itself to the narrow corridors of economics or politics, it situates African development within a plural and interconnected landscape. In doing so, it reaffirms what scholars such as Newell & Pype (2021) have urged, that Africa must be thought of in terms of futures, not merely past legacies. The book thus participates in a scholarly movement that reclaims Africa's role as a generator of knowledge and a driver of sustainable global modernity.

Central to this orientation is that Africa's future cannot be understood through singular lenses. To this effect, seasoned scholars who are well-versed in their various disciplines have contributed to this volume to project Africa beyond its current distortions. Each subtheme explored in this book represents a thread that, when woven together, produces a coherent vision of an Africa that is both rich and prosperous. In the face of mounting climate risks, geopolitical shifts, and structural inequalities, this holistic perspective is significantly essential as opined in the discourse of the United Nations Economic Commission for Africa (UNECA), 2022. Moreover, *Eternal Savannah* departs from the familiar register of policy manuals. Its originality lies in the voices it brings together, consisting of scholars, practitioners, and visionaries who interrogate the orthodoxies of development thinking. In this regard, the book offers solution-oriented formulas and generative frameworks that challenge the status quo while opening imaginative pathways toward continental renewal. The African Union's Agenda 2063 affirms that "the destiny of Africa lies in the hands of Africans" (African Union Commission, 2015), and this volume exemplifies that principle by grounding its analyses in local contexts, indigenous wisdom, and globally relevant innovation.

Thematically, African Renaissance is a constellation of struggles and aspirations carried forward across generations. At its foundation lies the fight against poverty, which continues to constrain human potential even as new wealth emerges across sectors. As established in the study of Watts (2024), poverty in Africa is a material

deficit as well as a structural phenomenon, indicating an inheritance of colonial extractions and neoliberal prescriptions that fractured local economies. This work is also the locus of resilience. Communities across the continent have innovated survival strategies that often outperform externally imposed models, showing that Africa's renaissance begins at the grassroots, where human dignity resists marginalization, for instance, in the realm of agriculture.

Agriculture stands at the heart of this renewal, given the continent's vast savannahs, fertile valleys, and adaptive farming practices, which bear testimony to both historical continuity and urgent transformation. While food insecurity remains a persistent challenge, agroecological approaches and digital farming tools increasingly provide alternatives to dependency on global food systems (Mekonnen et al., 2024). The renaissance of agriculture is, to this effect, reclaiming sovereignty over land, seeds, and nutrition in a bid to transform Africa from a net importer of food into a guarantor of its own sustenance.

But the dream of renewal collides with the realities of inequality. The paradox of resource abundance amid widespread deprivation highlights the uneven distribution of wealth and opportunity. Rising inequalities, both within and across African nations, threaten the very cohesion of societies. For the renaissance to be authentic, it must address nexuses such as poverty reduction and equity, ensuring that growth is not captured by elites while millions remain excluded (UNECA, 2020).

Corruption further complicates this landscape, undermining trust in institutions and eroding public confidence in governance. Yet, as Transparency International reports consistently remind us, corruption is not uniquely African but a global phenomenon (Transparency International, 2023). The African Renaissance, therefore, entails a dual imperative: dismantling systems of impunity while strengthening institutions of accountability. Here, the fight against corruption becomes not only a matter of governance but of cultural renewal, a recalibration of ethical values for a new era, for a robust and comprehensive education.

Education and science serve as the lifeblood of this transformation. Africa's youthful demographic dividend will remain unrealized unless education systems are reformed to foster critical thinking, innovation, and adaptability. Higher education, particularly in the sciences, has the potential to position Africa as a contributor to global knowledge systems rather than a consumer at the periphery (Woldegiorgis, 2024). The Renaissance is thus intellectual as much as it is material, an affirmation that Africa's futures are shaped in classrooms, laboratories, and digital spaces where new knowledge is created, thereby shaping networks of exchange that find their fullest expression in Africa's evolving landscapes of trade and migration.

Trade and migration interweave into this complexity as pathways of integration and dynamism. The African Continental Free Trade Area (AfCFTA) signals an unprecedented step toward economic unity, reducing the colonial legacy of fragmented markets. In parallel, Madondo & Dhobha, (2025) demonstrate in their study that migration, often mischaracterized as a crisis, has historically been a driver of cultural exchange, economic remittances, and innovation. Together, trade and migration redefine Africa's place in the global economy, affirming mobility and interconnectedness as hallmarks of renaissance rather than symptoms of instability.

Tessema et al. (2021) further identify in their study that medicine and health systems occupy a critical frontier. The COVID-19 pandemic exposed vulnerabilities but also highlighted Africa's capacity for scientific collaboration, from the rapid establishment of testing infrastructure to the push for vaccine equity. An authentic renaissance must place human health at its center, ensuring that advances in medicine are accessible, affordable, and contextually relevant. In this sense, the savannah metaphor extends to health—where resilience, adaptation, and balance with nature provide guiding principles for sustainable well-being.

Finally, religion and peace offer the moral and spiritual compass for Africa's journey. Religious traditions—both indigenous and global—have historically been forces of both conflict and reconciliation. In the twenty-first century, their transformative potential lies in mobilizing ethical imagination and communal solidarity for peacebuilding. The pursuit of peace is not an end in itself but the condition for flourishing. As the African Union's peace and security agenda demonstrates, sustainable futures require the cultivation of harmony between nations, within societies, and between humanity and the environment (African Union Commission, 2015).

In weaving these themes together, the Renaissance becomes visible not as a linear progression but as a living ecology. Like the savannah, it is diverse, interdependent, and resilient. Each issue or proposed key variable, including poverty, agriculture, inequality, corruption, education, science, trade, migration, medicine, religion, and peace, are interrelated. When interwoven, they yield not a patchwork of challenges but a solution tapestry for renewal.

In essence, the pursuit of Africa's renaissance is inseparable from the global human tradition of renewal. Just as Europe's Renaissance redefined knowledge, Latin America's postcolonial awakenings sought cultural-political emancipation, and Asian renaissances fused heritage with modern industrial progress, Africa today is articulating a renaissance that is uniquely situated in the 21st century (Munck, 2025). The metaphor of the *eternal savannah* encapsulates this condition: it symbolizes both continuity with ancestral ecological and cultural legacies, and the promise of reinvention within a turbulent global order.

Yet, unlike earlier renaissances, Adeyeri et al. (2022) have established that Africa is shaped by the imperatives of postcolonial restructuring, decolonial knowledge production, and sustainable development, rather than by recovery from medieval stagnation. Its distinctiveness lies in its policy horizon. The African Union's Agenda 2063 frames this renaissance as a people-driven project of structural transformation, industrialization, and human development. Parallel to this, the United Nations' Sustainable Development Goals (SDGs) provide a universal benchmark, situating Africa's renaissance within a shared planetary commitment to eradicating poverty, achieving gender equality, advancing climate action, and fostering peaceful institutions (AU, 2015; UN, 2015).

This dual anchoring underscores that Africa's sustainable future cannot be reduced to growth metrics or external prescriptions. Instead, it is a renaissance in which intellectual heritage, ecological stewardship, and indigenous innovation converge to reframe governance, diplomacy, and development praxis. By addressing poverty alleviation, inequality reduction, environmental preservation, and cultural flourishing as interdependent dimensions, *Eternal Savannah* positions Africa as a global actor in the making of the sustainable development age (Sachs, 2015).

Thus, the *eternal savannah* becomes more than a metaphor: it is a conceptual bridge linking Africa's renaissance to global dialogues on sustainability and justice. Just as Europe, Asia, and Latin America drew upon civilizational resources to reimagine modernity, Africa too is crafting a renaissance that is Afrocentric in its grounding, dialogical in its global engagement, and visionary in its policy orientation. This renaissance is neither utopian rhetoric nor nostalgic invocation but a practical blueprint for policy, governance, and continental renewal as articulated in Agenda 2063's aspiration for "an integrated, prosperous, and peaceful Africa" (AU, 2015).

I am convinced that the vision articulated here will inspire policymakers, scholars, and practitioners to view Africa not as a passive site of developmental challenges but as a crucible of innovations and policy models indispensable to humanity's shared future.

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L'Afrique, souvent décrite à tort comme la dernière frontière du développement dans le monde, est en fait aussi la frontière des possibilités. Les vastes richesses naturelles, le patrimoine culturel et le dynamisme démographique du continent présentent des défis, mais aussi des opportunités inégalées pour tracer des voies de transformation nouvelles et éprouvées. Le livre, *Eternal Savannah Voices of African Renaissance in Sustainable Futures*, émerge à un moment critique du XXI^e siècle, où les récits de dépendance et de déficit cèdent de plus en plus la place à des discours sur l'action, la résilience et l'innovation. La métaphore de la « savane éternelle » n'est pas simplement géographique dans son contexte, car elle incarne la continuité, l'enracinement et un horizon de renouveau sans fin, indiquant que la renaissance africaine n'est pas une aspiration abstraite, mais une réalité vivante ancrée dans les gens, la terre et la vision.

La promesse principale de ce volume réside dans son approche transdisciplinaire délibérée. Ne se limitant pas aux couloirs étroits de l'économie ou de la politique, il situe le développement de l'Afrique dans un paysage pluriel et interconnecté. Ce faisant, il réaffirme ce que des chercheurs tels que Newell & Pype (2021) ont préconisé, à savoir que l'Afrique doit être pensée en termes d'avenir, et pas seulement en termes d'héritages du passé. L'ouvrage participe ainsi à un mouvement scientifique qui réhabilite le rôle de l'Afrique en tant que générateur de connaissances et moteur d'une modernité mondiale durable.

L'idée centrale de cette orientation est que l'avenir de l'Afrique ne peut être appréhendé à travers des lentilles singulières. À cet effet, des universitaires chevronnés, bien au fait de leurs diverses disciplines, ont contribué à ce volume pour projeter l'Afrique au-delà de ses distorsions actuelles. Chaque sous-thème exploré dans ce livre représente un fil qui, une fois tissé ensemble, produit une vision cohérente d'une Afrique à la fois riche et prospère. Face aux risques climatiques croissants, aux changements géopolitiques et aux inégalités structurelles, cette perspective holistique est essentielle, comme le souligne le discours de la Commission économique des Nations unies pour l'Afrique (UNECA), 2022.

En outre, *Eternal Savannah* s'éloigne du registre familier des manuels de politique. Son originalité réside dans les voix qu'il rassemble, composées d'universitaires, de praticiens et de visionnaires qui remettent en question les orthodoxies de la pensée du développement. À cet égard, l'ouvrage propose des formules axées sur les solutions et des cadres génératifs qui remettent en question le statu quo tout en ouvrant des voies imaginatives vers le renouveau du continent. L'Agenda 2063 de l'Union africaine affirme que « le destin de l'Afrique est entre les mains des Africains » (Commission de l'Union africaine, 2015), et ce volume illustre ce

principe en ancrant ses analyses dans les contextes locaux, la sagesse indigène et l'innovation pertinente à l'échelle mondiale.

Sur le plan thématique, la Renaissance africaine est une constellation de luttes et d'aspirations transmises de génération en génération. Elle repose sur la lutte contre la pauvreté, qui continue de limiter le potentiel humain alors même que de nouvelles richesses apparaissent dans tous les secteurs. Comme l'établit l'étude de Watts (2024), la pauvreté en Afrique est un déficit matériel ainsi qu'un phénomène structurel, indiquant un héritage d'extractions coloniales et de prescriptions néolibérales qui ont fracturé les économies locales. Ce travail est également le lieu de la résilience. Les communautés à travers le continent ont innové des stratégies de survie qui dépassent souvent les modèles imposés de l'extérieur, montrant que la renaissance de l'Afrique commence à la base, là où la dignité humaine résiste à la marginalisation, par exemple, dans le domaine de l'agriculture.

L'agriculture est au cœur de ce renouveau, étant donné les vastes savanes, les vallées fertiles et les pratiques agricoles adaptatives du continent, qui témoignent à la fois d'une continuité historique et d'une transformation urgente. Alors que l'insécurité alimentaire reste un défi persistant, les approches agroécologiques et les outils agricoles numériques offrent de plus en plus d'alternatives à la dépendance vis-à-vis des systèmes alimentaires mondiaux (Mekonnen et al., 2024). La renaissance de l'agriculture consiste, à cet effet, à récupérer la souveraineté sur la terre, les semences et la nutrition dans le but de transformer l'Afrique d'un importateur net de nourriture en un garant de sa propre subsistance.

Mais le rêve de renouveau se heurte aux réalités de l'inégalité. Le paradoxe de l'abondance des ressources dans un contexte de privation généralisée met en évidence la répartition inégale des richesses et des opportunités. Les inégalités croissantes, tant à l'intérieur des pays africains qu'entre eux, menacent la cohésion même des sociétés. Pour que la renaissance soit authentique, elle doit prendre en compte des aspects tels que la réduction de la pauvreté et l'équité, en veillant à ce que la croissance ne soit pas accaparée par les élites alors que des millions de personnes restent exclues (UNECA, 2020).

La corruption complique encore ce paysage, en sapant la confiance dans les institutions et en érodant la confiance du public dans la gouvernance. Pourtant, comme nous le rappellent régulièrement les rapports de Transparency International, la corruption n'est pas un phénomène exclusivement africain, mais mondial (Transparency International, 2023). La renaissance africaine implique donc un double impératif : démanteler les systèmes d'impunité tout en renforçant les institutions de responsabilité. La lutte contre la corruption n'est pas seulement une question de gouvernance, mais aussi de renouveau culturel, de recalibrage des valeurs éthiques pour une nouvelle ère, pour une éducation solide et complète.

L'éducation et la science sont les éléments vitaux de cette transformation. Le jeune dividende démographique de l'Afrique restera lettre morte si les systèmes éducatifs ne sont pas réformés pour favoriser la pensée critique, l'innovation et l'adaptabilité. L'enseignement supérieur, en particulier dans le domaine des sciences, a le potentiel de positionner l'Afrique en tant que contributeur aux systèmes de connaissance mondiaux plutôt qu'en tant que consommateur à la périphérie (Woldegiorgis, 2024). La Renaissance est donc autant intellectuelle que matérielle, une affirmation que l'avenir de l'Afrique est façonné dans les salles de classe, les laboratoires et les espaces numériques où de nouvelles connaissances sont créées, façonnant ainsi des réseaux d'échange qui trouvent leur expression la plus complète dans les paysages évolutifs du commerce et de la migration en Afrique.

Le commerce et la migration s'intègrent dans cette complexité en tant que voies d'intégration et de dynamisme. La zone de libre-échange continentale africaine (ZLECA) marque une étape sans précédent vers l'unité économique, réduisant l'héritage colonial de marchés fragmentés. Parallèlement, Madondo et Dhobha (2025) démontrent dans leur étude que la migration, souvent qualifiée à tort de crise, a été historiquement un moteur d'échanges culturels, de transferts de fonds et d'innovation. Ensemble, le commerce et la migration redéfinissent la place de l'Afrique dans l'économie mondiale, affirmant que la mobilité et l'interconnexion sont des signes de renaissance plutôt que des symptômes d'instabilité.

Tessema et al. (2021) précisent dans leur étude que la médecine et les systèmes de santé occupent une frontière critique. La pandémie de COVID-19 a mis en évidence les vulnérabilités, mais aussi la capacité de l'Afrique à collaborer sur le plan scientifique, qu'il s'agisse de la mise en place rapide d'infrastructures d'essai ou de l'action en faveur de l'équité vaccinale. Une véritable renaissance doit placer la santé humaine au centre de ses préoccupations, en veillant à ce que les progrès de la médecine soient accessibles, abordables et adaptés au contexte. En ce sens, la métaphore de la savane s'étend à la santé, où la résilience, l'adaptation et l'équilibre avec la nature sont les principes directeurs d'un bien-être durable.

Enfin, la religion et la paix constituent la boussole morale et spirituelle du voyage de l'Afrique. Les traditions religieuses - qu'elles soient indigènes ou mondiales - ont été historiquement des forces de conflit et de réconciliation. Au XXI^e siècle, leur potentiel de transformation réside dans la mobilisation de l'imagination éthique et de la solidarité communautaire pour la construction de la paix. La recherche de la paix n'est pas une fin en soi, mais la condition de l'épanouissement. Comme le montre le programme de paix et de sécurité de l'Union africaine, un avenir durable exige de cultiver l'harmonie entre les nations, au sein des sociétés, et entre l'humanité et l'environnement (Commission de l'Union africaine, 2015).

En tissant ces thèmes ensemble, la Renaissance devient visible non pas comme une progression linéaire, mais comme une écologie vivante. Comme la savane, elle est

diverse, interdépendante et résiliente. Chaque question ou variable clé proposée, y compris la pauvreté, l'agriculture, l'inégalité, la corruption, l'éducation, la science, le commerce, la migration, la médecine, la religion et la paix, sont liées entre elles. Lorsqu'elles sont entrelacées, elles ne donnent pas lieu à un patchwork de défis, mais à une tapisserie de solutions pour le renouveau.

Par essence, la poursuite de la renaissance de l'Afrique est inséparable de la tradition humaine globale de renouveau. Tout comme la Renaissance européenne a redéfini le savoir, les réveils postcoloniaux de l'Amérique latine ont recherché l'émancipation culturelle et politique, et les renaissances asiatiques ont fusionné le patrimoine avec le progrès industriel moderne, l'Afrique articule aujourd'hui une renaissance qui se situe de manière unique au 21^e siècle (Munck, 2025). La métaphore de la savane éternelle résume cette situation : elle symbolise à la fois la continuité avec les héritages écologiques et culturels ancestraux et la promesse d'une réinvention dans un ordre mondial turbulent.

Cependant, contrairement aux renaissances précédentes, Adeyeri et al. (2022) ont établi que l'Afrique est façonnée par les impératifs de la restructuration postcoloniale, de la production de connaissances décoloniales et du développement durable, plutôt que par la sortie d'une stagnation médiévale. La particularité de l'Afrique réside dans son horizon politique. L'Agenda 2063 de l'Union africaine présente cette renaissance comme un projet de transformation structurelle, d'industrialisation et de développement humain mené par les populations. Parallèlement, les objectifs de développement durable (ODD) des Nations unies fournissent une référence universelle, situant la renaissance de l'Afrique dans le cadre d'un engagement planétaire commun visant à éradiquer la pauvreté, à réaliser l'égalité entre les sexes, à faire progresser l'action climatique et à favoriser des institutions pacifiques (UA, 2015 ; ONU, 2015).

Ce double ancrage souligne que l'avenir durable de l'Afrique ne peut être réduit à des mesures de croissance ou à des prescriptions externes. Il s'agit plutôt d'une renaissance dans laquelle le patrimoine intellectuel, la gestion écologique et l'innovation indigène convergent pour recadrer la gouvernance, la diplomatie et la pratique du développement. En abordant la lutte contre la pauvreté, la réduction des inégalités, la préservation de l'environnement et l'épanouissement culturel comme des dimensions interdépendantes, la savane éternelle positionne l'Afrique en tant qu'acteur mondial de l'avènement de l'ère du développement durable (Sachs, 2015). Ainsi, la savane éternelle devient plus qu'une métaphore : c'est un pont conceptuel qui relie la renaissance de l'Afrique aux dialogues mondiaux sur la durabilité et la justice. Tout comme l'Europe, l'Asie et l'Amérique latine ont puisé dans les ressources civilisationnelles pour réimaginer la modernité, l'Afrique est elle aussi en train d'élaborer une renaissance qui est afrocentrique dans ses fondements, dialogique dans son engagement mondial et visionnaire dans son orientation politique. Cette renaissance n'est ni une rhétorique utopique ni une invocation

nostalgique, mais un plan pratique pour la politique, la gouvernance et le renouveau continental tel qu'il est articulé dans l'Agenda 2063, qui aspire à « une Afrique intégrée, prospère et pacifique » (UA, 2015).

Je suis convaincu que la vision exprimée ici incitera les décideurs politiques, les universitaires et les praticiens à considérer l'Afrique non pas comme un lieu passif de défis en matière de développement, mais comme un creuset d'innovations et de modèles politiques indispensables à l'avenir commun de l'humanité.

《永恒的非洲草原：非洲复兴与可持续发展》

非洲常常被误认为是世界上有待开发的“最后一块疆土”，而事实上，非洲同样是一个孕育着无限可能的大陆。非洲广袤的自然财富、丰厚的文化遗产以及充满活力的人口结构，不仅充满了挑战，也为探索经得起时间考验的转型新路提供了前所未有的机遇。《永恒的非洲草原：非洲复兴与可持续发展》一书正是在 21 世纪这一关键时刻问世的。此时，依附论与发展赤字的叙事正逐渐让位于具有自主性、适应性与创新性的话语。“永恒的非洲草原”这一比喻不仅指涉地理空间，它还象征着延续、根基与无穷的新生。它表明，非洲的复兴并非是抽象的理想，而是扎根于人民、土地与愿景的鲜活现实。

本卷的核心价值在于其跨学科研究路径。它并未局限于经济或政治的狭窄领域，而是将非洲的发展置于一个多元且互联的格局之中。通过这种方式，它回应并重申了诸如纽厄尔与派普（Newell & Pye, 2021）等学者的主张，即看待非洲不应只盯着过去的历史，而应当着眼于未来。因此，本书也参与到了重新确立非洲作为知识生产者与可持续发展的全球现代性推动者的学术潮流中。

这种观点的核心在于，不能仅从单一的视角来理解非洲。为此，本卷汇聚了来自不同领域的资深学者的研究，旨在突破以往对非洲发展的成见。书中探讨的每一个子议题都是一个线索，当这些线索交织在一起时，便呈现出富饶而繁荣的非洲图景。2022 年，联合国非洲经济委员会（UNECA）指出，在气候风险日益加剧、地缘政治格局不断变化以及结构性不平等的多重挑战前，这种整体性视角显得尤为重要。

此外，《永恒的非洲草原》突破了一般的政策手册式论述，其独创性体现在它汇聚了包括学者、实践者与观察家在内的多元声音。他们对传统的发展理论进行了反思。在这方面，本书提供了以问题为导向的方案和富有创造力的框架，既挑战了现状，又为非洲大陆的复兴开辟了富有想象力的道路。正如非洲联盟《2063 年议程》所强调的那样，“非洲的命运掌握在非洲人自己手中”（African Union Commission, 2015）。而本书正是这一原则的体现，其分析立足于非洲国情、本土智慧以及世界范围内的最新研究成果。

从主题上看，非洲复兴汇聚了一代代非洲人的奋斗与愿景，其核心是减贫事业。尽管新的财富在多个领域不断涌现，但贫困依然限制着非洲人潜能的发挥。正如瓦茨（Watts, 2024）的研究所指出的，非洲的贫困不仅是一种物质匮乏，也是一种结构性现象，它源自殖民掠夺与新自由主义政策对地方经济的破坏。这项研究也体现出非洲的韧性所在。非洲各地的社群创造出了常常优于外来模式的生存策略。它表明，非洲复兴始于基层，那里的人们为捍卫尊严不断抵抗被边缘化的进程，这在农业领域表现地更为突出。

农业是非洲复兴的核心所在，即便非洲有着广袤的稀树草原、肥沃的河谷以及灵活的耕作方式。它们既见证了历史的延续性，也昭示着当下转型的紧迫性。虽然粮食安全问题的严峻，但生态农业与数字化农业日益成为非

洲摆脱对全球粮食体系依赖的可替代方案（Mekonnen et al., 2024）。因此，农业的复兴旨在重新掌控土地、种子和肥料，努力将非洲从粮食净进口者，转变为自身粮食安全的保障者。

然而，非洲社会的不平等阻碍了复兴梦想的实现。资源丰富与普遍匮乏并存的悖论，凸显了财富和机会分配的不均。非洲各国内部以及国家之间不平等的加剧，减弱了社会凝聚力。要实现真正的复兴，就必须减少贫困、缩小贫富差距、确保经济增长成果惠及大众，而不是被少数精英所独占（UNECA, 2020 年）。

腐败进一步加剧了问题的严重性，削弱了公众对制度的信任，也侵蚀了对治理的信心。然而，正如透明国际报告所提醒的那样，腐败并非非洲独有，而是一种全球性现象（Transparency International, 2023）。因此，非洲复兴包含双重任务：一方面要杜绝执法不严，另一方面强化问责制度。在此背景下，反腐败斗争不仅关乎治理绩效，更关乎新时代社会观念的转变与思想教育。

教育与科学是实现这一转型的根基。必须通过教育体系的改革来培养青年人的批判性思维能力、创新能力与适应能力，否则将难以释放非洲的人口红利。高等教育，尤其是科学教育，有可能使非洲成为全球知识体系的贡献者，而非边缘化的消费者（Woldegiorgis, 2024）。因此，非洲复兴既是物质性的，也是知识性的——非洲的未来在于课堂、实验室和数字空间中创造的新知识，这些新知识又进一步构建起交流网络，并最终在非洲不断演变的贸易与人口流动格局中得到充分体现。

贸易与移民相互交织，体现出非洲的包容与活力。非洲大陆自由贸易区（AfCFTA）标志着非洲向经济一体化迈出的历史性一步，减轻了殖民时期遗留下的市场碎片化问题。与此同时，马东多和多巴（Madondo & Dhobha, 2025）的研究表明，移民问题常常被看成是社会危机，但历史上它一直是文化与经济交流、创新的重要推动力。贸易与移民共同塑造了非洲在全球经济中的地位，表明流动性与互联性是复兴的标志，而非造成社会不稳定的因素。

特塞马等人（Tessema et al., 2021）的研究进一步指出，医药与卫生体系是关键的前沿领域。新冠疫情暴露了医疗体系脆弱性。但是，从迅速建立检测设施到推动疫苗公平接种，凸显了非洲在科学领域的合作能力。非洲的复兴必须将人类健康置于核心地位，确保医疗服务是普惠的、老百姓负担得起的，并符合当地实际情况的。从这个意义上说，“非洲草原”的比喻也延伸至卫生领域——制度韧性、适应性以及人与自然的协调性，成为可持续发展的指导原则。

最后，宗教与和平为非洲的发展提供了道德与精神的指引。宗教传统——无论是本土宗教还是世界性宗教——在历史上既是冲突的根源，也是和解的力量。在二十一世纪，其变革潜力在于激发道德想象力与增强社区团结，以推动和平进程。和平并非最终目的，而是繁荣发展的前提。正如非洲联盟

和平与安全议程所提出的，要实现未来的可持续发展，需要在国家之间、社会内部以及人类与环境之间培育和谐的氛围（African Human Commission, 2015）。

这些主题相互交织的情况下，非洲复兴并不是一个线性的进程，而是一个鲜活的生态体系。就像非洲稀树草原一样，众多物种共存，生生不息。每一个议题或关键变量——包括贫困、农业、不平等、腐败、教育、科学、贸易、移民、医疗、宗教与和平——都是相互关联的。当这些元素交织在一起时，呈现出的不是一块由各种问题组成的拼图，而是一幅为非洲复兴之路编织的锦绣图景。

从本质上说，对非洲复兴的追求与人类的复兴传统密不可分。欧洲的文艺复兴重新定义了知识，拉丁美洲的后殖民觉醒追求文化与政治的解放，亚洲的复兴则将传统遗产与现代工业发展相融合，如今的非洲正在描绘一副21世纪独特的复兴图景（Munck, 2025）。“永恒的非洲草原”这一比喻正好概括了这一境况：它既象征着对传统生态与文化遗产的延续，也寓示着在动荡的全球格局中不断自我革新。

然而，不同于早期的复兴，阿德耶里等人指出，非洲发展的动力来自后殖民重构、去殖民知识生产以及可持续发展的使命，而不是从摆脱中世纪的停滞中产生的（Adeyeri et al., 2022）。其独特性体现在政策愿景上。非洲联盟的《2063年议程》将这一复兴界定为一个由人民推动的结构性变革、工业化与人类发展的进程。与此同时，联合国的可持续发展目标（SDGs）为其提供了一个全球性基准，它将非洲复兴置于消除贫困、实现性别平等、推进气候行动与建立和平机构的全球共同承诺之中（AU, 2015; UN, 2015）。

这种双重定位强调，非洲的可持续发展既不能被简化为单纯的经济增长指标，也不能依赖他国的药方。在这场复兴中，思想遗产、生态守护与本土创新相互汇聚，共同塑造治理、外交与发展实践。通过将减贫、缩小不平等、环境保护与文化繁荣视为相互依存的维度，《永恒的非洲草原》将非洲定位为可持续发展时代的全球行动者（Sachs, 2015）。

因此，“永恒的非洲草原”不仅仅是一种比喻，它还成为了将非洲的复兴与涉及可持续发展和公平正义的全球对话联系起来的一座桥梁。正如欧洲、亚洲和拉丁美洲借助文明资源重构现代性一样，非洲也在打造一场以非洲为中心、在全球范围内开展对话、具有远见卓识的政策导向的复兴。这一复兴既不是乌托邦式的空谈，也不是复古主义的召唤，而是一份切实可行的蓝图，旨在推动政策、治理与非洲大陆的革新，正如《2063年议程》所描绘的愿景，“建立一个团结、繁荣与和平的非洲”（AU, 2015）。

我坚信，这个愿景将促使政策制定者、学者与实践者转变观念，不再将非洲视为陷入发展困境的土地，而是将其看作孕育新发展模式的熔炉，从而推动构建人类命运共同体。

ACKNOWLEDGEMENTS

We extend our profound appreciation to all who breathed intellectual life into *Eternal Savannah Voices of African Renaissance in Sustainable Futures*. This volume stands as a testament to the power of collaboration across continents, languages, and disciplines. We owe special gratitude to Dr. Yuhua Shi, whose meticulous translation of the Foreword from English into Chinese fostered an invaluable bridge of scholarly exchange between Africa and Asia, and to Dr. Papa Fara Diallo, whose eloquent French rendition captured the philosophical depth and rhythm of the original text. Their linguistic precision and cultural sensitivity have ensured that this work resonates within diverse global academic and diplomatic communities.

Our deepest thanks extend to the distinguished diplomats and academics whose engagement and reflections gave this volume its intellectual vitality. Their contributions—spanning Africa, Asia, and Europe—embody the spirit of transnational collaboration that defines the 21st-century African renaissance. We are particularly grateful to African ambassadors in the diaspora and esteemed professors from partner institutions, who, despite their demanding schedules, dedicated their attention and endorsement to this work.

This book is, in every sense, a collective symphony of insight and conviction, reflecting the unified aspiration for sustainable futures grounded in African agency and innovation. To every contributor, translator, and partner institution, we extend our enduring gratitude for making this vision not only possible but profoundly transformative.

ENDORSEMENTS

H.E. Ambassador Kojo Amoo-Gottfried, GHANA.

The book, *Eternal Savannah Voices of African Renaissance in Sustainable Futures* emerges as the mouthpiece of Africa speaking to itself and to the world with clarity, courage, and conviction. This initiatory ARISE volume captures the heartbeat of a continent that refuses to be defined by limitation, but instead redefines possibility through innovation, resilience, and rooted wisdom. Each chapter is a luminous call to action, weaving scholarship, vision, and hope into a bold manifesto for Africa's future. It is at once a compass for policymakers, a catalyst for educators, and an inspiration for all who are passionate about African development. I commend this remarkable work and urge all who encounter it to embrace its vision and join Africa's renaissance journey.

Ambassador Kojo Amoo-Gottfried, GHANA.

Ghana's First Ambassador to Cuba (1982-1989),
Ghana's First Ambassador to China,
Former Ghanaian Ambassador to Nicaragua and Grenada,
Former Ghanaian Ambassador to the United Nations in Geneva,
Former Ghanaian Ambassador to Vietnam,
Former Ghanaian Ambassador to Poland,
Former Ghanaian Ambassador to Cambodia,
Current Founder and President of Ghana-China Friendship Association (GHACHIFA)

H.E. Ambassador Anani Demuyakor

I have in recent times, shied away from recommending academic pieces with written forewords. However, upon reading the script of this book, "Eternal Savannah Voices of African Renaissance in Sustainable Futures" spearheaded and edited by Dr. Lucy Anning, I am compelled to be part of the book with this foreword for a number of good reasons.

The author stands out. The first time I met Lucy was in my office in Beijing, China when I was Ghana's Ambassador to the People's Republic of China. She had come to formally pay her respect as a Ghanaian citizen and seek my advice on her academic surgeon in China. During our relatively short interaction, she exhibited confidence, ambition and zeal with a passion for high academic achievements.

Not surprisingly, she proceeded to study Chinese language, which provided her with an in-depth understanding of Chinese language, culture, political and economic systems that engineered her understanding and appreciation of the current African situation.

African Renaissance and Sustainability Engagement (ARISE) series explores how Africans vast natural resources, indigenous knowledge systems and youthful innovations can be harnessed to reframe the development nexus of Africa in ways

that will secure sustainable futures. This illuminates the scope of the problem the book seeks to solve and appropriately challenges and galvanizes policy makers, intellectual scholars and practitioners including the youth into action. The acronym “ARISE” is most appropriate and serves as the clarion call for sustained practical action by all Africans.

I am confidently convinced that her visions as articulated in the series will inspire every reader and satisfy all who have the appetite for Africanism.

H.E. Ambassador Anani Demuyakor, GHANA

Former Ghanaian Ambassador to China

Current Chairman of Ghana China Friendship Association

H.E. Ambassador Kwame T. Muzawazi, ZIMBABWE

Africa’s renaissance is no longer a distant dream—it is alive, unfolding, and boldly expressed through the voices of its own visionaries. This book, *Eternal Savannah Voices of African Renaissance in Sustainable Futures* captures that spirit with striking clarity, weaving together sustainability, innovation, and ancestral wisdom into a narrative of resilience and transformation. It positions Africa not as a follower, but as a trailblazer shaping global conversations on development and modernisation. Both profound and practical, it serves as a manifesto for policymakers, educators, entrepreneurs, and dreamers who dare to believe in Africa’s promise. I proudly endorse this work and invite readers everywhere to join in the journey of Africa’s unfolding renaissance.

Ambassador Kwame T. Muzawazi, ZIMBABWE

Former Zimbabwean Ambassador to Poland

Current Head of Secretariat, Museum of African Liberation,
Harare, Zimbabwe.

Dr Gideon Azumah, THE UK.

It is with great professional enthusiasm that I endorse *Eternal Savannah: Voices of African Renaissance in Sustainable Futures*, the inaugural volume of the ARISE Series. This publication represents a significant scholarly contribution to the discourse on Africa’s role in shaping sustainable futures, and it does so with intellectual rigour, cultural authenticity, and visionary clarity.

The volume is distinguished by its interdisciplinary approach, drawing on insights from environmental sustainability, education, trade, innovation, and indigenous knowledge systems. Each chapter is meticulously crafted, offering both theoretical depth and practical relevance. The authors emerging and established African scholars and practitioners, presented a compelling narrative that positions Africa not as a peripheral actor in global development, but as a central architect of transformative change.

What makes this work particularly noteworthy is its unapologetically Afrocentric perspective. It challenges dominant paradigms and reclaims the narrative space by foregrounding African agency, resilience, and creativity. The metaphor of the “eternal savannah” is employed with poetic and conceptual precision, symbolising continuity, regeneration, and rootedness in ancestral wisdom while embracing modernisation and innovation.

This book is not merely a collection of chapters; it is a strategic resource for policymakers, educators, researchers, and entrepreneurs committed to inclusive and sustainable development. It offers a roadmap for reimagining Africa’s future through locally grounded yet globally relevant frameworks. The ARISE Series, beginning with this volume, sets a new benchmark for scholarship that is both visionary and actionable.

I strongly recommend *Eternal Savannah* as essential reading for those engaged in African studies, sustainability research, international development, political economics and global business education. It is a timely and transformative work that deserves a place in academic libraries, policy circles, and classrooms across the world.

Dr. Gideon Azumah, THE UK

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Prof. Sheriff Ghali Ibrahim, NIGERIA.

The book, *Eternal Savannah Voices of African Renaissance in Sustainable Futures* is an electrifying intellectual journey that confronts the paradox of despair surrounding Africa’s present while illuminating the boundless possibilities of its future. With visionary clarity, it invites readers to navigate the continent’s complex realities, internalize hope, and embrace the transformative paths Africa is forging. This masterful work sparks curiosity, challenges conventional narratives, and ignites the imagination, compelling every reader to reflect on the dynamics of renewal, resilience, and sustainable development. ***I hereby, strongly endorse this masterpiece as a must-read for anyone invested in Africa’s renaissance and enduring promise.***

Prof. Sheriff Ghali Ibrahim, NIGERIA.

Director,
Centre for Contemporary China-Africa Research in Nigeria,
Nigeria.

Professor LI Anshan, CHINA

With the emergence of the Global South, the African continent is rising, this book is a typical example. It focuses on two important concepts of African development or practice, e.g., African initiative and African innovation. The editor, Dr. Lucy Anning, is an expert on industrial economy and has a rich experience in both academic endeavour and international encounter, and she brings the scholars from different fields, telling us enlightening thoughts and glorious achievements in Africa from a multi-disciplinary perspective. ***I highly endorse and recommend this book to academics, policy makers and everyone interested in the African renaissance paradox.***

Professor LI Anshan, CHINA

Peking University,
Associate member of the Academy of the Kingdom of Morocco,
Vice Chair of the International Scientific Committee of UNESCO General History of Africa (Vol.8-11)

Barrister Olusola J. Akinloye Esq., NIGERIA

It is with great admiration and unwavering conviction that I endorse *Eternal Savannah Voices of African Renaissance in Sustainable Futures*, the maiden volume of the African Renaissance and Sustainability Engagement (ARISE) Series. This book is more than a scholarly contribution—it is a clarion call, a compass, and a developmental arsenal for a continent poised at the crossroads of history and destiny.

With a rare blend of intellectual rigor and visionary depth, this volume speaks not only to Africa's challenges but also to its extraordinary possibilities. It deftly weaves together themes of poverty eradication, green industrialization, trade, education, migration, and cultural resurgence into a coherent framework for transformation. In doing so, it aligns the enduring wisdom of the "eternal savannah" with the forward-looking imperatives of Agenda 2063 and the United Nations Sustainable Development Goals.

What distinguishes this work is its unyielding Afrocentricity; its unapologetic embrace of Africa's vast resources, both human and natural, as foundations for renewal. It is, indeed, a handbook for policymakers, scholars, and citizens committed to building a just, innovative, and sustainable Africa.

I commend this groundbreaking volume to all who seek to imagine and enact Africa's renaissance in our shared global future.

Barrister Olusola J. Akinloye Esq., NIGERIA

Principal Partner,
Legal Consult & Attorneys, Nigeria.



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Dr. Papa Fara Diallo, SENEGAL

Eternal Savannah: Voices of African Renaissance in Sustainable Futures is not just a book; it is a bold declaration that Africa's future is already being written by its own visionaries. From the first page to the final insight, this inaugural volume of the ARISE Series is a literary force: bold, brilliant, and unapologetically African, but has global flavour and outreach worth reading and having a copy for the teaching, research and practice.

This is not a book you simply read; it is a journey you embark on. With each chapter, the authors illuminate Africa's vast potential through the lens of sustainability, innovation, and cultural resurgence. They do so with a rare blend of scholarly depth and poetic conviction, weaving together the threads of green growth, inclusive education, ethical trade, and indigenous wisdom into a vibrant tapestry of hope and transformation.

What makes this book truly exceptional is its fearless Afrocentric vision. It reclaims the narrative, placing Africa not as a passive recipient of global development, but as a dynamic architect of its own destiny. The eternal savannah becomes a metaphor for resilience, regeneration, and rootedness, reminding us that the answers to tomorrow's challenges may well lie in the wisdom of our ancestors and innovative bold changes and modernisation.

This book is a gift and a tool to policymakers, educators, entrepreneurs, and dreamers alike. It is a manifesto for those who believe that Africa's renaissance is not only possible, but also already unfolding. **I wholeheartedly endorse this work and urge you to read it, share it, and let its vision move you to action.**

Dr. Papa Fara Diallo, SENEGAL

Scientific Director of the research program "Local Democracy"

Laboratoire d'analyse des sociétés et pouvoirs / Afrique – Diasporas (LASPAD)

Gaston Berger University - Senegal

Chapter 1

ETERNAL SAVANNAH VOICES OF AFRICAN RENAISSANCE IN SUSTAINABLE FUTURES: INTRODUCTION TO THE COLLECTION

Dr Lucy Anning & Dr Gideon Azumah

Introduction

Eternal Savannah Voices of African Renaissance in Sustainable Futures launches the African Renaissance and Sustainability Engagement (ARISE) Series, a bold, interdisciplinary initiative that reimagines Africa's development trajectory. This volume brings together leading and emerging African scholars, practitioners, and policymakers to interrogate on how Africa's vast natural resources, indigenous knowledge, and youthful innovation can be harnessed to address persistent challenges of poverty, inequality, corruption, and governance, while advancing new paradigms of green industrialization, sustainable agriculture, and social justice. Framed by the metaphor of the "Eternal Savannah," the book positions Africa's renaissance not as an imitation of external models, but as a living, self-determined project rooted in creativity, resilience, and transformation. Each chapter weaves empirical rigor with conceptual sophistication, providing practical recommendations for policy, legislation, and practice. The book's transdisciplinary approach: spanning economics, education, health, migration, peace, security and justice, and trade in a bid to offer readers a panoramic view of Africa as a laboratory of solutions, where local ingenuity meets global challenges.

Who Should Read This Book?

- Academics, policymakers, and practitioners seeking fresh, Afrocentric perspectives on sustainable development.
- Students and educators interested in Africa's role as a generator of knowledge and innovation.
- Anyone invested in the continent's renaissance and enduring promise.

This volume embarks on an ambitious journey, charting Africa's pathway toward sustainable renewal through the intertwined lenses of governance, innovation, social equity, and resilience. Each chapter offers a distinct yet complementary voice, collectively reflecting the dynamic interplay between economic transformation, institutional integrity, cultural resurgence, and policy pragmatism. The deliberate sequencing of chapters creates a cohesive narrative arc, moving from macroeconomic and financial analyses to human-centered development, cultural

foundations, and technological innovation, guiding readers through the multidimensional pathways of Africa's sustainable future.

Opening this discourse, Chapter Two, *Sustainable Finance and the Natural Resource Curse: Testing the Validity of Multivariate VAR Model for the Ghanaian Mining Industry* by Lucy Anning, interrogates Ghana's mining sector, the continent's second-largest gold producer, responsible for roughly 158 tonnes annually and over 90% of mineral exports (Worlanyo & Jiangfeng, 2021). Despite Africa's possession of more than 30% of global mineral reserves, nearly half of its population remains mired in poverty, exemplifying the paradox of resource abundance. Employing a Multivariate Vector Autoregressive (VAR) and Vector Error Correction (VEC) framework with data spanning 1990–2023, the chapter unravels the dynamic interplay between natural resource rents, financial development, institutional quality, and environmental sustainability. Findings reveal that mineral revenue shocks generate profound short- and long-term effects where extractive wealth temporarily fuels fiscal expansion, yet weak governance exacerbates financial misallocation and environmental degradation. Granger causality analyses uncover a bidirectional relationship between financial deepening and ecological decline, highlighting the perils of unregulated financial growth. Crucially, the study demonstrates that Ghana's resource-curse trap is not inevitable; embedding green financial instruments, adaptive fiscal governance, and transparent institutional practices can transform volatile resource rents into inclusive, resilient growth.

Transitioning from national finance to global investment, Chapter Three, *Beyond the Numbers: Unpacking China's Investment Footprint in Africa – The Case of Ghana* by Gideon Azumah, situates foreign capital within Africa's broader structural transformation. Moving decisively beyond narrow statistical interpretations, the authors explore agriculture, education, trade, health, and peace as pillars of Africa's renewal, emphasizing indigenous innovation and structural adaptation, while linking foreign investment to institutional capacity-building.

This conceptual foundation flows naturally into Chapter Four, *Institutional Quality and Inclusive Growth in Africa: The Role of Productive Employment* by Solomon M. Dakwal, Innocent Okwanya, and Aisha I. Ogiri. Using data from thirty-seven African nations (2000–2023), the authors demonstrate that institutional integrity—measured through property rights, rule of law, and anti-corruption indices—is essential for inclusive growth. Strong institutions emerge as catalysts for job creation and poverty reduction, paving the way for a deeper interrogation of constitutional guarantees versus lived realities.

Chapter Five, *Guarantees of Social and Economic Rights in Africa: Promise versus Reality* by Olusola Joseph Akinloye, Esq., examines the persistent gap between normative rights and tangible welfare outcomes. Drawing on case studies from South Africa, Kenya, Uganda, and Nigeria, complemented by European

jurisprudence, the chapter underscores the imperative of accountable governance, robust jurisprudence, and rights-sensitive policy design, seamlessly linking institutional discourse to economic policy implementation.

Chapter Six, *Ghana's 24-Hours Economy Policy: Prospects, Critical Industries and Challenges* by Ernest Kwame Affum, Adamu Mohammed, Gideon Andoh Gyebi and Cassim Alhassan, situates development at the nexus of policy, governance, and productivity. Focusing on manufacturing, ICT, healthcare, tourism, and transport, the authors stress phased implementation, robust governance, and community engagement as prerequisites for sustainable, round-the-clock economic activity. This naturally leads to national security considerations.

Chapter Seven, *Examining the Threats in Intelligence Gathering and the Fight against Violent Extremism in Ghana* by Samuel Darko, highlights institutional vulnerabilities, porous borders, and community mistrust. Recommendations for professionalization, trust-building, and regional cooperation extend governance discussions from economic innovation to security resilience, creating a bridge to Africa's cultural foundations.

Chapter Eight, *Pan-Africanism in J. E. Casely Hayford's Ethiopia Unbound: Pathways to African Renaissance and Sustainable Futures* by Wu Li and Zou Tingting, situates development within Africa's intellectual and cultural heritage. Reclaiming indigenous philosophies, revitalizing languages, and cultivating cultural confidence are presented as essential for unity and sustainability, providing a reflective segue into education, psychosocial well-being, and human-centered development.

Chapter Nine, *How Peer Relationships, Bullying Experiences, and Social Support Networks Influence Adolescent Mental Health* by Geoffrey Bentum-Micah, Joshua Ampofo, Tinotenda Shelmah Micah and Samuel Antwi, demonstrates how bullying predicts anxiety and depression, while social support mitigates these outcomes. Younger adolescents and females benefit most, reinforcing the necessity of context-sensitive interventions and connecting micro-level psychosocial insights to broader institutional and policy discussions.

Chapter Ten, *Rethinking Affordable Housing Solutions for Low-Income Communities as a Pathway to Sustainable Development in Africa* by Fatima Baba Mohammed, frames housing as a platform for equity, resilience, and inclusion, emphasizing microfinance, incremental construction, and formalization of informal settlements.

This discussion is complemented by Chapter Eleven, *Religion and Development in Africa: Rethinking the Protestant Ethic and Beyond* by Yuhua Shi, which situates

economic growth within religious and cultural frameworks, demonstrating how social capital and tradition influence development trajectories.

Continuing the lens on systemic governance, Chapter Twelve, *Cash-for-Posts in KwaZulu-Natal: The Sale of School Leadership Positions in South Africa* by Joel Osei-Asiamah, exposes corruption in educational leadership, highlighting transparency, systemic reform, and community oversight as essential for institutional trust. Finally, Chapter Thirteen, *Digital Green Finance and Smallholder Resilience* by Mercy Olajumoke Akinloye, illustrates how digital finance enhances climate-smart agriculture, strengthens recovery capacity, and reduces multidimensional poverty, synthesizing the volume's thematic strands into a coherent, forward-looking vision for Africa's sustainable future.

Essentially, the chapters form a coherent narrative that interweaves economic policy, institutional quality, social rights, cultural renaissance, security resilience, and inclusive design into a holistic vision for Africa's sustainable future. Each chapter speaks in its own disciplinary voice, yet collectively they echo the book's central argument with regards to the fact that Africa's renaissance is rooted in plural pathways, grounded in indigenous innovation, and sustained through governance systems attuned to local realities. The *Eternal Savannah* thereby emerges as a metaphor of endurance and a living canvas of resilience, regeneration, and renaissance.

Key Highlights and Directions for the Book

- **Afrocentric Vision:** The book reclaims Africa's narrative, positioning the continent as a dynamic architect of its own destiny.
- **Interconnected Challenges:** Poverty, inequality, corruption, and governance are addressed as interdependent, not isolated, issues.
- **Innovation and Resilience:** Local ingenuity, digital tools, and indigenous knowledge are celebrated as drivers of transformation.
- **Policy and Practice:** Each chapter offers actionable recommendations for policymakers, practitioners, and civil society.
- **Comparative Insights:** Lessons are drawn from both African and global contexts, emphasizing adaptation over imitation.
- **Invitation to Action:** The book calls on readers to move beyond passive observation to engage, reflect, and contribute to Africa's renaissance.

Chapter Conclusion

Eternal Savannah Voices of African Renaissance in Sustainable Futures is both a manifesto and a roadmap. It challenges conventional narratives of dependency and deficit, illuminating Africa's boundless possibilities through the lens of sustainability, innovation, and cultural resurgence. The volume's fearless Afrocentric vision, scholarly depth, and practical orientation make it an indispensable resource for anyone invested in Africa's future.

As you journey through these pages, you are invited not just to read, but to participate, to let the vision of an integrated, prosperous, and peaceful Africa inspire you to action, reflection, and renewed commitment to the continent's renaissance.

Chapter 2

SUSTAINABLE FINANCE AND NATURAL RESOURCE CURSE: TESTING THE VALIDITY OF MULTIVARIATE VAR MODEL FOR THE GHANAIAN MINING INDUSTRY

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Abstract

Africa harbors over 30% of the world's mineral reserves, yet nearly half of its population remains mired in poverty, a paradox that has long confounded economists and policymakers. This study interrogates Ghana's mining sector, the continent's second-largest gold producer, through the transformative lens of sustainable finance. Using a Multivariate Vector Autoregressive (VAR) and Vector Error Correction (VEC) framework with annual data from 1990 to 2023, it unravels the intricate interplay between natural resource rents, financial development, institutional quality, and environmental sustainability. Results reveal that mineral revenue shocks produce profound short- and long-term impacts: while extractive wealth temporarily fuels fiscal expansion, it simultaneously exacerbates financial misallocation and environmental degradation when governance and regulatory oversight are weak. Granger causality analyses highlight a bidirectional relationship between financial deepening and ecological decline, emphasizing that unchecked financial growth accelerates environmental vulnerability. Critically, the study demonstrates that Ghana's resource-curse trap is not inevitable; rather, it persists due to underdeveloped sustainable finance structures and fragmented institutional oversight. Policy pathways emerge clearly: embedding green financial instruments, enforcing adaptive fiscal governance, and promoting transparent institutional practices can convert volatile extractive rents into resilient, inclusive, and environmentally conscious growth. By reframing natural resources not as a curse but as a strategic asset, this research offers a roadmap for Africa's resource-rich economies to harness wealth responsibly, bridging the divide between abundance and prosperity.

Keywords: Sustainable Finance; Natural Resource Curse; Multivariate VAR model; Institutional Quality; Ghana's Mining Industry

Introduction

Africa's paradox of plenty continues to challenge conventional economic wisdom. Despite being richly endowed with minerals, oil, and gas reserves, many African nations remain economically fragile, earning the enduring label of "resource-rich yet poor." This structural dilemma is not merely a question of abundance but of mismanaged wealth and inadequate financial mechanisms that fail to transform natural endowments into long-term prosperity. Against this backdrop, this study interrogates whether sustainable finance embedded in financial practices integrating environmental, social, and governance (ESG) considerations can serve as a transformative conduit, with Ghana's mining industry providing a compelling case study.

Natural resources wield the power to either catalyze growth or entrench stagnation, depending critically on governance and financial stewardship. The resource curse hypothesis, advanced by Sachs and Warner (2001), posits that resource-abundant nations often experience slower economic growth than resource-scarce counterparts. Yet, this claim is far from universal. Empirical evidence from advanced economies such as the United States, Canada, China, and the United Kingdom confirms adverse growth effects of resource dependence (Haseeb et al., 2021; Wu et al., 2018; Wang et al., 2021). Conversely, African-focused studies reveal that robust financial inclusion, institutional quality, and governance efficiency can mitigate the curse (Shobande & Enemona, 2021; Di John, 2011; Yilanci et al., 2021). This divergence highlights a critical insight: resource abundance is not inherently detrimental; rather, the absence of sustainable financial structures dictates developmental outcomes.

Ghana's mining sector exemplifies this duality. As Africa's second-largest gold producer, with annual outputs of approximately 158 tonnes accounting for over 90% of mineral exports (Girard, 2021; Worlanyo & Jiangfeng, 2021), the sector anchors national revenue and employment. Gold, bauxite, manganese, and diamonds collectively contribute significantly to GDP. Yet, persistent poverty, income inequality, and environmental degradation underscore the governance and financing dilemmas that constrain equitable growth. Despite a two-decade average GDP growth of 5% (Amankrah, 2021; Sisso & Beaumais, 2018), the benefits of mineral wealth remain unevenly distributed, with the resource-rich South prospering while the underdeveloped North lags. The advent of oil production in 2011, projected to yield approximately USD 1 billion annually (Kumah-Abiwu, 2017), further heightened expectations for inclusive growth but simultaneously exposed vulnerabilities in fiscal management and sustainable capital formation.

Sustainability, as articulated by the World Commission on Environment and Development (1987), entails meeting present needs without compromising future generations, integrating economic viability, environmental stewardship, and social equity (Kuhlman & Farrington, 2010; Moran & Kunz, 2014b). Recent scholarship

emphasizes the interdependence of these dimensions, underscoring the necessity of integrative approaches (Amaral et al., 2020; Kouloukoui et al., 2019; Endl et al., 2021). In this light, sustainable finance—through instruments such as green bonds, ESG-compliant investments, and social finance initiatives—emerges as a pivotal enabler. By aligning capital allocation with ethical, social, and environmental objectives, sustainable finance transforms extractive revenues into pathways for inclusive development (Khan et al., 2020; Guan et al., 2020; Ahlström & Monciardini, 2022). Yet, despite global sustainable finance assets exceeding USD 35 trillion by 2022 (Global Sustainable Investment Alliance, 2022), Sub-Saharan Africa accounts for less than 1% of such capital, constraining the integration of resource management with sustainability imperatives.

In Ghana, weak financial intermediation and limited access to green credit mechanisms have curtailed the mining sector's potential to contribute meaningfully to the Sustainable Development Goals (SDGs), particularly SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), and SDG 13 (Climate Action). Empirical studies demonstrate that aligning financial markets with sustainability objectives mitigates environmental externalities, stabilizes resource rents, and fosters technological innovation in extractive industries (Esposito et al., 2019; Zhang et al., 2022). Globally, nations such as Nigeria, Venezuela, and Mexico continue to struggle with resource dependence, with evidence revealing a strong negative correlation between resource intensity and economic growth (Adams et al., 2019; Dogan et al., 2020; Badeeb et al., 2020; Tang et al., 2022). These patterns underscore the centrality of institutional quality, governance, and sustainable finance policies in mediating the resource-growth nexus.

Mining remains among the world's most capital-intensive industries, ranked fifth globally (Hilson & Hu, 2022). Ghana's historical trajectory—from colonial extraction to neoliberal reforms in the 1980s—reflects the duality of promise and peril inherent in resource exploitation. Despite reforms such as privatization of state-owned mines and updated mineral policies, production volatility persists due to fluctuating commodity prices, weak institutional oversight, and insufficient investment in sustainable financial mechanisms (Tuokuu et al., 2019; Cobbinah & Amoako, 2018). This scenario raises a critical question: can sustainable finance serve as a stabilizing force, converting extractive volatility into resilient and inclusive growth?

To interrogate this question, the study employs a Multivariate Vector Autoregressive (VAR) and Vector Error Correction (VEC) framework, augmented by the Bayer and Hanck cointegration test, examining short- and long-term causal linkages between financial access, natural resource rents, human development, and environmental performance using annual data from 1970–2022 (World Development Indicators, Bank of Ghana, Penn World Tables). The study is

theoretically anchored in Institutional, Stakeholder, and Stewardship theories, positioning finance as an endogenous driver shaping governance and resource allocation (Atil et al., 2020; Zallé, 2019; Ahmed et al., 2016).

By bridging finance, sustainability, and resource governance, this research moves beyond the conventional “blessing or curse” debate. It illuminates how responsible credit systems, ESG-aligned investments, and inclusive capital flows can reshape Ghana’s mining trajectory, offering empirically grounded insights and policy recommendations that resonate across resource-dependent economies. Consequently, it sets a compelling stage for subsequent chapters, inviting readers to explore nuanced analyses, actionable strategies, and transformative frameworks for sustainable development.

Literature Review

Conceptual Review

Concept of Sustainability

The term sustainability originates from the Latin word *sustinere*, meaning “to support and sustain” (Iqbal et al., 2018). Agyei-Boakye (2022) defines sustainability as an end-state where environmental and human requirements are both addressed within a dynamic balance. It embodies three interconnected dimensions consisting of social, environmental, and economic—often referred to as the “triple bottom line” of people, planet, and profit (Anand et al., 2021). These dimensions must coexist harmoniously since deficiencies in one cannot be offset by excellence in another (Viveros, 2016). Social sustainability embraces equity, cultural integration, and local socio-political engagement (Ballet et al., 2020; Kohl et al., 2020), addressing challenges like access to health, education, and affordable housing (Omoloso et al., 2021). The study further expand this to “development sustainability,” integrating justice, equity, and social capital. Environmental sustainability, the most debated dimension entails maintaining ecological capacity and biodiversity. The 2015 United Nation (UN) sustainable development goals (SDGs) and the Paris Agreement consolidated global commitment to balanced, resilient, and climate-smart growth (UN, 2015).

Conceptual Definition of Sustainable Finance

The concept of *sustainable finance* emerged as global awareness of environmental and economic interdependence deepened (Howes et al., 2017). Its roots trace to the 1992 Rio de Janeiro Earth Summit, which catalysed the establishment of the UNEP Finance Initiative (UNEP-FI)—a partnership between UNEP and over 200 financial institutions aimed at integrating environmental stewardship into financial practices. Sustainable finance seeks to align economic growth with social equity and ecological balance by mobilising capital for green, inclusive, and climate-resilient investments. According to the Centre for Responsible Business (2016), it is “the practice of creating economic and social value through financially sustainable models, products, and markets.” The UNEP-FI (2015) and Hafner et al.

(2020) emphasise incorporating environmental, social, and governance (ESG) factors into investment decisions to drive long-term sustainable outcomes. Globally, sustainable financial assets surpassed US\$35 trillion in 2021, representing nearly 36% of total professionally managed funds (ICMAGROUP, 2020). The approach mitigates climate and systemic risks while advancing transparency and value generation (Bank of England, 2019; Migliorelli, 2021). It encompasses green, social, and environmental finance, enhancing financial resilience, reducing operational risks, and supporting the global transition toward a climate-neutral economy (UN PRI, 2018; Ziolo et al., 2019; Setyowati, 2020).

The Concept of Natural Resources Curse

The resource curse, or paradox of plenty, describes the persistent failure of resource-rich nations to translate mineral wealth into sustainable growth and social welfare (Natural Resource Governance Institute, 2015). Despite hosting nearly 30% of global mineral reserves, sub-Saharan Africa remains home to over 40% of the world's poor, highlighting this paradox (Adamu et al., 2021). Coined by Auty (1993) and empirically established by Sachs & Warner (1995), the theory posits that economies reliant on non-renewable resources such as oil, gas, and minerals experience slower growth, weaker institutions, and heightened inequality. The framework later evolved to capture governance failures, corruption, and civil conflicts (Ovadia & Graham, 2022; Spence, 2021; Vélez-Torres & Méndez, 2022). Global initiatives like the Extractive Industries Transparency Initiative (EITI) emerged to counteract these effects (Vijge et al., 2019). Scholars differentiate between the economic resource curse—marked by low growth and volatility (Itumoh, 2020; Mlambo, 2022)—and the political resource curse, where rentier regimes exhibit authoritarian tendencies and conflict proneness (Ross, 2018; Ovadia, 2020; Hunziker & Cederman, 2022). Empirical studies affirm that resource rents correlate with governance fragility and income disparity, although exceptions such as Botswana, Canada, and Norway demonstrate institutional resilience (Frynas & Buur, 2020; Dong et al., 2019). Contemporary analyses now emphasize lootability dynamics which contrasts easily extractable resources like alluvial diamonds with capital-intensive ones like oil and gas (Watts, 2018; Farzanegan et al., 2018) to explain the persistence of state fragility in resource-dependent economies.

Theoretical Framework

This study is anchored on institutional theory, stakeholder theory, and stewardship theory, which collectively illuminate the behavioural and structural dimensions of sustainability governance in the Ghanaian mining industry. According to Pilato (2019), institutional theory provides a conceptual lens for examining how formal institutions such as business associations, civil society organisations, and regulatory agencies and informal norms, traditions, and customary laws shape corporate sustainability behaviour. It explains why sustainability programmes assume diverse forms across contexts. Institutional theory posits that firms adopt

sustainable practices under coercive, mimetic, or normative pressures (Greenwood & Meyer, 2008), where regulators, civil society, and communities act as key enforcers. Empirical evidence emanating from Liu et al., 2022 suggests that over 65% of mining firms in sub-Saharan Africa engage in sustainability initiatives primarily in response to institutional mandates and reputational concerns.

Complementing this, stakeholder theory emphasises that firms exist within complex networks of interdependent actors whose interests must be balanced (Amoah & Eweje, 2020). In Ghana's extractive sector, the study of Marashdeh et al., 2021 underscore that host communities, regulators, and investors hold divergent expectations that shape corporate legitimacy. Aligning with this view, over 48% of stakeholder-related conflicts in West African mining operations stem from perceived governance inequities and unmet social responsibilities. The stewardship theory further offers an ethical counterpoint to agency theory, portraying managers as custodians of societal welfare. It advocates moral responsibility, accountability, and prudent management of natural resources for collective benefit (Balch, 2021; Makle-Ridley, 2021). In this light, stewardship extends beyond corporate profitability toward sustainable development imperatives, ensuring that resource revenues are equitably utilised for human advancement (Lehrer & Segal, 2020). Together, these theories provide an integrated framework for understanding how institutional, ethical, and relational forces collectively influence sustainability governance in Ghana's mining sector.

Empirical Review

The empirical review in this study is based on a number of studies reviewed and emphasizes significant concepts, trends, and the method of analysis employed by relevant papers. The study explored several studies as well as the various theories put out and how they correlated with the concepts of sustainability, sustainable finance, resource curse, and mining.

Review of Related Studies in the Global Context

Recent empirical research on the interaction between financial development and natural resource dependency provides diverse insights into the "resource curse" and "resource blessing" paradigms. Asif et al. (2020) and Dogan et al. (2020) examined Pakistan's economy using time series data from 1975–2017, applying the ARDL-Bounds testing approach with Variance Decomposition Analysis (VDA) and Impulse Response Functions (IRF). Their results revealed that while forest and oil rents enhanced financial development in the short run, long-run dynamics showed a negative correlation between coal, gas, and oil rents and domestic credit to the private sector, validating the "financial resource curse." Notably, the VDA forecasted persistent variance shocks in financial performance up to a decade ahead, underscoring structural volatility.

In Saudi Arabia, Anser et al. (2020), Nassani et al. (2019), and Alfalih & Hadj (2022) explored the sustainability of resource-driven growth through technological innovation from 1970–2018. They found that energy-intensive industrialization elevated carbon emissions by approximately 2.7% annually, despite short-term growth benefits, confirming that resource rents fuel emission-intensive development unless accompanied by digital and trade policy reforms.

Li et al. (2021), Wei et al. (2020), and Pan et al. (2021) reassessed the institutional failure hypothesis in G7 economies between 1980–2018. Their findings refuted the long-run existence of the resource curse, arguing that robust financial markets—rather than institutions alone—convert resource wealth into financial growth, with over 85% of variance in rent utilization explained by market efficiency (Jianqiang et al., 2020).

In the Malaysian context, Ali & Ramakrishnan (2022) and Jia & Yang (2022) employed Fourier-based ARDL and DOLS models from 2002–2018 to reveal mixed results: while banking development displayed a financial resource curse, the stock market exhibited a “resource blessing.” Finally, Wang & Chen (2020), Wang et al. (2022), and Song et al. (2020) found that in China’s 30 provinces between the years of (2006–2018), natural resource endowment constrained ecological efficiency, particularly in the western and central provinces, where eco-efficiency scores averaged 22% lower than in the eastern provinces. Collectively, these studies affirm that the natural resource-finance nexus remains contextually contingent, shaped by institutional robustness, technological adaptation, and ecological management capacity.

Review of Related Studies in the African Context

Empirical discourse on Africa’s natural resource–finance nexus reveals a complex interplay between economic rents, institutional efficiency, and financial development. Dwumfour & Ntow-Gyamfi (2018) and Lashitew & Werker (2020) both applied the resource curse theory across 38 African economies between the years of 2000 and 2012 using the Arellano-Bond GMM estimator. Their analysis revealed that resource rents contribute approximately 32% of GDP in most African countries—with Angola and Zambia showing extreme dependence at 52.6% and 12.5%, respectively. Yet, no robust correlation emerges between resource rents and financial development (FD), suggesting that the “curse” materializes mainly under weak institutional conditions. Using Z-scores as FD indicators, they reveal the curse is most severe in Sub-Saharan Africa and among lower-income nations, whereas institutional strength mitigates the adverse effects of rents on credit expansion.

Complementary evidence by Mulwa & Mariara (2016) and Fowowe (2018) situates the curse within the frameworks of the Dutch Disease and institutional explanations. Drawing on OLS and seemingly unrelated regressions (SUR) across 47 African nations, their findings indicate that GDP per capita growth correlates

negatively but insignificantly with total natural resource abundance. Disaggregated estimates, however, show that mineral and primary resource dependence impede growth, while oil endowment yields modestly positive effects. Their results affirm that governance quality, particularly improvements in property rights and corruption control enhances the growth trajectory of resource-rich economies.

Adams et al. (2019) further extend the debate by linking globalization, governance, and multinational corporations (MNCs) to the persistence of the resource curse in oil-rich developing countries (ODCs). Their findings demonstrate that the ethical and accountability practices of MNCs shape resource outcomes, making globalization a determinant of whether nations succumb to or escape the “curse.” Nath (2015) and Kalombo (2022) shift attention toward sustainability metrics, showing that adjusted net savings (ANS) in Sub-Saharan Africa have declined, with many nations recording negative values since 2010. Wealth accumulation remains fastest in lower-middle-income economies with limited natural capital, whereas resource-dependent regions like Latin America and the Middle East exhibit stagnation.

Finally, Igwe & Amadi (2020) and Henry (2019) integrate Marxian and institutional perspectives, identifying capitalism’s exploitative mechanisms and institutional fragility as core determinants of the curse. Employing cointegration and error-correction models (Ndjokou & Tsopmo, 2017), they found that resource dependency exerts long-term negative effects on growth, while sound institutions transform resource wealth into recovery potential.

Review of Related Studies in the Ghanaian Context

The Ghanaian experience provides a nuanced lens through which the dynamics of sustainable finance and the natural resource curse can be examined. Shobande and Enemona (2021) and Musah et al. (2022) applied a Multivariate VAR Model, integrating Bayer and Hanck cointegration and Granger causality tests, to assess the link between sustainable finance and the resource curse in Ghana and Nigeria. Their findings underscore that sustainable finance significantly moderates the resource curse through the Human Development Index, establishing a positive link between macroeconomic stability and natural resource management. Policy implications emphasize the design of adaptive financing frameworks to mobilize domestic investment in natural resource governance, given that Ghana’s mining and oil sectors account for over 8% of GDP and 40% of export revenue.

At the community level, Aubell & Mensah (2007) examined residents’ perceptions in Tarkwa-Nsuaem and found extensive ecological degradation—deforestation, mine pits, and water contamination—despite rising mining output. With 77 participants sampled via snowball and purposive techniques, the study revealed a paradox of wealth and deprivation, urging inclusive governance in environmental oversight.

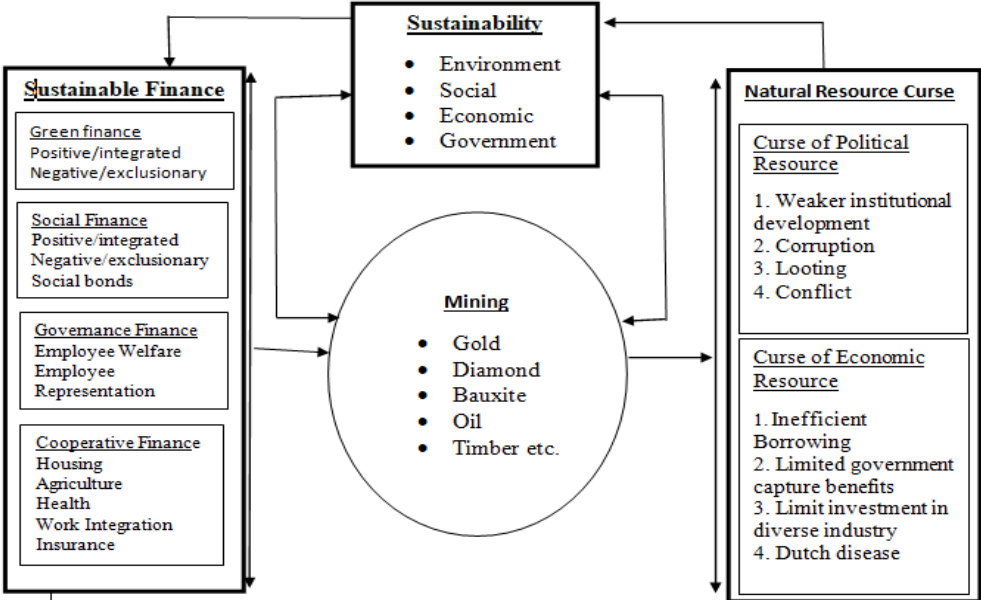
In exploring the oil economy, Siakwah (2016) employed actor-network theory to demonstrate how Ghana’s democratic institutions partially insulate the nation from the oil curse, even as global assemblages of actors and markets shape local outcomes. Similarly, Ayelazuno (2014) used a critical political economy approach to show how Ghana’s liberal democracy and gold mining legacy have not fully eliminated enclave extractive dependency, sustaining patterns of uneven capitalist development.

Further, Phillips et al. (2016), Andrews & Siakwah (2020), and Mohan et al. (2018) collectively highlight the political nature of oil extraction, sovereignty, and governance. Their findings affirm that while Ghana’s state institutions exhibit resilience, structural inequalities and global capital dynamics continue to influence the nation’s oil-driven development trajectory.

2Conceptual Framework

The figure below highlights the conceptual framework for the study. Here, the key variables and their interconnectedness are pictorially elaborated.

Figure 1: Conceptual Framework for the Study



Source: Authors Own Construction, 2025

The conceptual framework above illustrates the dynamic interconnections between sustainable finance, natural resource curse, and sustainability within the Ghanaian mining sector. At its core, the model situates mining activities—notably in gold, diamond, bauxite, oil, and timber—as both economic catalysts and potential sources of structural vulnerability. These extractive industries influence, and are influenced by, financial, institutional, and environmental systems.

Sustainable finance operates through four primary mechanisms: *green finance*, *social finance*, *governance finance*, and *cooperative finance*. Green finance promotes environmental accountability and low-carbon initiatives, mitigating ecological degradation from mining. Social finance fosters equity, social cohesion, and community welfare, countering the exclusionary effects of extractive operations. Governance finance enhances employee welfare and representation, strengthening institutional integrity, while cooperative finance supports livelihood diversification through housing, agriculture, and insurance—key pillars for inclusive economic growth.

These financial mechanisms collectively influence the dimensions of sustainability, thus, environmental, social, economic, and governmental by mobilising capital toward responsible production and resource efficiency. When effectively managed, sustainable finance mitigates the curse of political resources manifested in weak institutions, corruption, looting, and conflict and the curse of economic resources, typified by inefficient borrowing, narrow fiscal benefits, limited industrial diversification, and Dutch Disease effects.

Conversely, weak or exclusionary financial systems amplify these curses, trapping resource-rich economies like Ghana in cycles of rent-seeking and environmental degradation. Thus, the framework posits a bidirectional relationship: mining revenues influence the flow and design of sustainable finance, while the strength of sustainable finance determines whether resource wealth translates into long-term sustainability or perpetuates institutional fragility. The mediating role of sustainability dimensions underscores that effective governance, equitable finance, and environmental stewardship are indispensable in transforming Ghana's natural resource endowments from a potential curse into a sustainable development catalyst.

Research Design and Strategy

Given the research design and strategy, the study adopts the World Bank data known as the World Development Indicators (WDI) is the primary World Bank collection of development indicators and relevant, high quality, and internationally comparable statistics about global development and the fight against poverty. Recognizing the private and public sector's efficiency at allocating resources and spurring economic growth, the World Bank Group seeks to identify obstacles to its development. Methodologically, this study follows the study of Shahbaz (2017) and Sun et al. (2020) by estimating the relationship between financial development and natural resource curse herein measured by natural resource rents and the role played by the mediating variable, thus institutional variable using a dynamic model while adjusting the resource rents variable to a growth of the mining sector.

In order to allow for an investigation of the persistence of growth from financial development and natural resource rents management, the study uses a dynamic

model to estimate the stated relationship. This became necessary due to the nature of the data of choice. All variables are drawn from the literature reviewed. Moreover, the variables are selected because, whilst they seem theoretically and intuitively plausible to most likely influence the financial development behavior on natural resource rents, their empirical findings remain inconclusive in the literature. Therefore, on the basis of the theoretical and intuitive reasoning from the proposed integrated framework that informs the thesis they are explored in this section. The chapter further considered the population and sample utilized in the thesis while describing the reliability and validity standards used to ensure the integrity of the thesis.

Data Sources and Description of Variables

Data Sources

The study makes use of an annual time series dataset from 1996 to 2021. Data on the variables in the study are gathered from various secondary sources. To begin, data on Natural resource rents denote the total rent received through coal, mineral, forest, oil, and natural gas rents of Ghana are obtained from the World Development Indicators (WDI) of World Bank Data-set. Second, the study uses a new proxy for the financial development index developed by Svirydzenka (2016). The traditional measure for financial development, such as domestic credit to the private sector or stock market capitalization ratio to gross domestic product (GDP) does not cover the multidimensional approach of financial development. Therefore, a new variable for financial development is used in this study. It provides a multidimensional approach to cover the depth, efficiency, and accessibility of financial markets and institutions. Data for the financial development index is obtained from the International Monetary Fund (IMF) database. Third, this study also uses a new approach to measure human capital. The used the human capital index (HCI) developed by Penn World Table (PWT, 9.1), which not only covers labor market information and is also adjusted for the estimated returns to education. It also varies across countries having different levels of education. Fourth, Trade openness which measures the degree of openness in terms of increasing or restricting trade with other countries. It is calculated by summing exports and imports and dividing them by gross domestic product (GDP). Data for exports, imports, gross domestic product (GDP) and fifth, data on institutional quality are obtained from the World Governance Indicators, which is proxied by the corruption control index (WGI). The data measurements and sources are described in Table 3.2.

Table 3.2: Data source and measurement

S/No.	Variable	Definition	Unit of measurement	Source
Macroeconomic variables Indicators				
1	NRR	total natural resource rents	Coal + mineral + forest + oil + natural gas rents	World Bank Data base (WDI), (2021)
2	FD	Financial development index developed by	multidimensional approach to cover the depth, efficiency, and accessibility of financial markets and institutions	International Monetary Fund (IMF) database
3	HD	Human development	human capital index (HCI)	Penn World Table (PWT, 9.1)
4	TOP	Trade openness	measures the degree of openness in terms of increasing or restricting trade with other countries	World Bank Data base (WDI), (2021)
Institutional Governance Indicators				
5	COC	Control of Corruption	Index	World Governance Indicators (2021)

Source: Researchers' compilation

Empirical Model Specification

Following the study of Shahbaz (2017) and Sun et al. (2020) by estimating the relationship between financial development and natural resource rents functional relationship is specified:

$$NRR_t = f(FD_t, X_t)v_t \dots \dots \dots (3.1)$$

Equation (3.1) suggests that natural resource rents at time t depends on the financial development, other explanatory variables to control for the functional relationship and other unobserved factors, captured in the error term (v). X is a vector of economic and non-economic determinants of natural resource rents management. As mentioned above, these factors include human development, trade openness and corruption control index. $v = \ln \varepsilon$ is the random error term.

While Equation (3.2) serves as the baseline model, it does not capture several factors that may affect natural resource rents, among which human development, trade openness and corruption control index are paramount to this study. To study the extent to which financial development contributes to natural resource management, the study augments the baseline model by these control variables and a set of explanatory variables. The resulting operational model is expressed as:

$$NRR_t = \alpha + \beta FD_t + \delta HD_t + \gamma TOP_t + \eta COC_t + v_t \dots \dots \dots (3.2)$$

Taking the natural logs of both sides with the exception of inflation rate and corruption control index yields a log-linear model of the form:

$$\ln NRR_t = \alpha + \beta \ln FD_t + \delta HD_t + \gamma \ln TOP_t + \eta COC_t + v_t \dots \dots \dots (3.3)$$

where $\ln$ is the natural log operator. NRR is the natural resource rents which is the sum of Coal, mineral, forest, oil and natural gas rents of the economy in year t . FD is the financial development index which is a multidimensional approach to cover the depth, efficiency, and accessibility of financial markets and institutions. HD is human development developed by Penn World Table (PWT, 9.1), which not only covers labor market information and is also adjusted for the estimated returns to education. TOP is trade openness which is captured by the ratio of the sum of imports and exports to GDP. COC is corruption control index which serves as the institutional governance indicator and it ranges between -2 - +2. v is the error term.

Definition of Variables: Description and Measurement of Variables

Outcome variable: Natural Resource Rents

The estimates of natural resources rents are calculated as the difference between the price of a commodity and the average cost of producing it. This is done by estimating the price of units of specific commodities and subtracting estimates of average unit costs of extraction or harvesting costs. These unit rents are then multiplied by the physical quantities countries extract or harvest to determine the rents for each commodity as a share of gross domestic product (GDP). Accounting for the contribution of natural resources to economic output is important in building an analytical framework for sustainable development. In some countries earnings from natural resources, especially from fossil fuels and minerals, account for a sizable share of GDP, and much of these earnings come in the form of economic rents - revenues above the cost of extracting the resources. Natural resources give rise to economic rents because they are not produced. For produced goods and services competitive forces expand supply until economic profits are driven to zero, but natural resources in fixed supply often command returns well in excess of their cost of production. Rents from nonrenewable resources - fossil fuels and minerals as well as rents from over harvesting of forests indicate the liquidation of a country's capital stock. When countries use such rents to support current consumption rather than to invest in new capital to replace what is being used up, they are, in effect, borrowing against their future.

Financial Development Index

The literature that treats financial sector development and its impact on various economic phenomena does not recognize a single indicator of financial development measurement, nor do the various regulators sector have a single indicator to measure its development. Divergences in financial development proxies uses have prompted the International Monetary Fund (IMF) staff to create an indicator that includes all aspects of financial sector development. A typical empirical study approximates financial development with either one of two measures of financial depth the ratio of private credit to GDP or stock market capitalization to GDP. However, these indicators do not take into account the complex multidimensional nature of financial development. Therefore, a new variable for financial development is used in this study. It provides a

multidimensional approach to cover the depth, efficiency, and accessibility of financial markets and institutions.

Other explanatory variables

The literature is replete with several economic and non-economic determinants of central natural resource rents management. To account for the effects of these factors, a number of control variables are included in the study. These include trade openness as a percentage of GDP, human development and index of corruption

Theoretically, trade openness is positively related to natural resource rents. Trade openness is a measure of economic policies that either restrict or invite trade between countries. For example, if a country sets a policy of high trade tariffs, thus restricting the desirability of international trade, this restrictive policy will inhibit other countries from sending exports and accepting imports from that country. Trade openness is measured as the sum of a country's exports and imports as a share of that country's GDP (in %). Therefore, the share of export and import in Ghana's GDP is employed as a proxy for trade openness and it is expected that the more Ghana engages in international trade, the growth-related benefits to the natural resource rents increase. The term human capital refers to the economic value of a worker's experience and skills. Human capital includes assets like education, training, intelligence, skills, health, and other things employers value such as loyalty and punctuality. As such, it is an intangible asset or quality that is not (and cannot be) listed on a company's balance sheet. Human capital is perceived to increase productivity and thus profitability. The more investment a company makes in its employees, the chances of its productivity and success become higher. Human capital is an intangible asset or quality not listed on a company's balance sheet. It can be classified as the economic value of a worker's experience and skills. Human capital index (HCI) developed by Penn World Table (PWT, 9.1), which not only covers labor market information and is also adjusted for the estimated returns to education. It also varies across countries having different levels of education.

Lastly, the quality of institutions is a non-economic factor that may also affect revenue mobilization. As a proxy for the quality of institutions, a corruption index is included in the analysis. Widespread corruption may severely hamper natural resource rents management in the economy.

A priori Expectations

Basing on the empirical results, it's expected that the findings of the study will show whether or not the selected variables of interest that is quality of institutions, corruption index, trade, human capital and exports among significant others explored under the study will exhibit evidence of actually impacting natural resource curse management in the Ghanaian economy.

Estimation Techniques

Time series econometric techniques are employed to estimate the parameters of Eq. (3.3). With the data covering 39 years (1980-2018), it is important to assess the time series properties of the variables employed in the study. This is to ensure that there exists a long-run (equilibrium) between tax revenue and its determinants as specified in Eq. (3.3). Hence, the test for unit root of the variables is carried out using the Augmented Dickey-Fuller (ADF) test to assess the stationarity properties of the variables. The test for unit root is important to ascertain the absence of $I(2)$ series (i.e. integration of order 2), since their presence would lead to the collapse of the Auto-Regressive Distributed Lags (ARDL) approach to cointegration and estimation of Eq. (3.3).

The Augmented Dickey-Fuller (ADF) unit root test

The ADF test for unit root entails the estimation of the following equation, which links the change in variable y to its first lagged level, and lagged changes:

$$\Delta y_t = \mu + \alpha y_{t-1} + \varphi_1 \Delta y_{t-1} + \gamma_2 \Delta y_{t-2} + \dots + \varphi_p \Delta y_{t-p} + \epsilon_t \dots\dots\dots(3.4)$$

where y is a vector of the variables used in the study, Δ is the first difference operator, p is the optimal lag length (on the Akaike Information Criterion (AIC)). ϵ is the error term.

The unit root test is done by testing the null hypothesis that α , the coefficient on y_{t-1} , is equal to one (unity), against the alternative hypothesis that it is statistically less than unity:

$$H_0: \alpha = 1 \text{ against } H_1: \alpha < 1$$

Using the t test on α , a rejection of the null hypothesis implies that the series has no unit root and is therefore stationary. That is, their statistical properties such as mean, variance, and autocorrelation, are constant or do not vary over time. On the other hand, failure to reject the null hypothesis suggests that variable is non-stationary.

Johansen Cointegration Test

Secondly, we test the presence or otherwise of cointegration between the series of the same order of integration through forming a cointegration equation. The basic idea behind cointegration is that if, in the long-run, two or more series move closely together, even though the series themselves are trended, the difference between them is constant. It is possible to regard these series as defining a long-run equilibrium relationship, as the difference between them is stationary (Hall and Henry, 1989). A lack of cointegration suggests that such variables have no long-run relationship: in principal they can wander arbitrarily far away from each other (Dickey et. al., 1991). We employ the maximum-likelihood test procedure established by Johansen and Juselius (1990) and Johansen (1991). Specifically, if Y_t is a vector of n stochastic variables, then there exists a p -lag vector auto

regression with Gaussian errors of the following form: Johansen's methodology takes its starting point in the Vector Auto regression (VAR) of order P given by:

$$y_t = \mu + \Delta_i y_{t-1} + \dots + \Delta_p y_{t-p} + \varepsilon_t \dots \dots \dots (3.5)$$

Where Y_t is an nx1 vector of variables that are integrated of order commonly denoted (1) and ε_t is an nx1 vector of innovations. This VAR can be rewritten as:

$$\Delta y_t = \mu + \eta y_{t-1} + \sum_{i=1}^{p-1} \tau_i \Delta y_{t-1} + \varepsilon_t \dots \dots \dots (3.6)$$

Where:

$$\Pi = \sum_{i=1}^p A_{i-1} \text{ and } \tau_i = -\sum_{i=1}^p A_j \dots \dots \dots (3.7)$$

To determine the number of co-integration vectors, Johansen (1988, 1989) and Johansen and Juselius (1990) suggested two statistic test, the first one is the trace test (λ trace). It tests the null hypothesis that the number of distinct cointegrating vector is less than or equal to q against a general unrestricted alternatives $q = r$. the test calculated as follows:

Where;

$$\lambda \text{trace}(r) = -T \sum_{i=r+1} \ln(1 - \hat{\lambda}_i) \dots \dots \dots (3.8)$$

T is the number of usable observations, and the $\lambda_{1,s}$ are the estimated eigenvalue from the matrix.

The Vector Error Correction Mechanism (VECM) Estimation Technique

The estimation of equation (3) shows which of the natural resource rents determinants exerts the greater impact on natural resource rents, and whether natural resource rents influences any of the variables. From equation (3) above, the conditional vector error correction model (VECM) can be specified as follows:

$$\Delta NRR_t = \alpha_1 + \sum_{i=1}^p \beta_{i1} \Delta \ln FD_{t-i} + \sum_{i=1}^p \kappa_{i1} \Delta \ln HD_{t-i} + \sum_{i=1}^p \varpi_{i1} \Delta \ln TOP_{t-i} + \sum_{i=1}^p \phi_{i1} \Delta \ln COC_{t-i} + \delta_1 ECM_{t-1} + v_{1t} \dots \dots \dots (3.9)$$

$$\Delta FD_t = \alpha_2 + \sum_{i=1}^p \beta_{i2} \Delta \ln NRR_{t-i} + \sum_{i=1}^p \kappa_{i2} \Delta \ln HD_{t-i} + \sum_{i=1}^p \varpi_{i2} \Delta \ln TOP_{t-i} + \sum_{i=1}^p \phi_{i2} \Delta \ln COC_{t-i} + \delta_2 ECM_{t-1} + v_{2t} \dots \dots \dots (3.10)$$

$$\Delta HD_t = \alpha_3 + \sum_{i=1}^p \beta_{i3} \Delta \ln NRR_{t-i} + \sum_{i=1}^p \kappa_{i3} \Delta \ln FD_{t-i} + \sum_{i=1}^p \varpi_{i3} \Delta \ln TOP_{t-i} + \sum_{i=1}^p \phi_{i3} \Delta \ln COC_{t-i} + \delta_3 ECM_{t-1} + v_{3t} \dots \dots \dots (3.11)$$

$$\Delta COC_t = \alpha_4 + \sum_{i=1}^p \beta_{i4} \Delta \ln NRR_{t-i} + \sum_{i=1}^p \kappa_{i4} \Delta \ln FD_{t-i} + \sum_{i=1}^p \varpi_{i4} \Delta \ln HD_{t-i} + \sum_{i=1}^p \phi_{i4} \Delta \ln TOP_{t-i} + \delta_4 ECM_{t-1} + v_{4t} \dots \dots \dots (3.12)$$

where Δ is the first difference operator and $\ln$ is the natural logarithm. The estimated parameter links the short run dynamics to the long run relation as the means by which the system is restored to long run equilibrium condition, in the event of shocks to any of the regressors. The residuals v_{it} are assumed to be normally distributed and white noise which is the one period lagged error-correction term derived from the co-integration equation.

Chapter Summary

This chapter presented highlights on the methodology utilized for the study. After a brief introduction, the research design as well as data sources and related model specification was presented. Next, the definition of variables, apriori expectations and the estimation techniques used are here after elaborated on. Finally, the summary of the chapter is outlined.

Analysis and Discussion of Findings

This section presents and discusses the empirical results from the analysis of the impacts of financial development on natural resource rents of Ghana while accounting for other control variables such as human development, trade openness and institutional governance indicator of corruption index. It begins with a descriptive analysis of the variables used in the study in Section 4.1. Section 4.2 presents and discusses the results from the analysis of the time series properties of the data and cointegration tests. The main empirical results on the long-run impacts of financial development on natural resource rents are reported and discussed in Section 4.3. Section 4.4 concludes the chapter with the discussion of the results from the short-run dynamics.

Descriptive analysis

Figure 4.1 shows that between 1996 and 2021 natural resources rents, a percentage of GDP alternated, which mirrors the rising and falling of the resource rents over the years. It has its lowest value of 7.06, a proportion of GDP especially 2006. However, the natural resource rents reached its highest peak in 2011 with a value of 16.29, a percentage of GDP. Broad financial development however, displayed a smooth trend through the period.

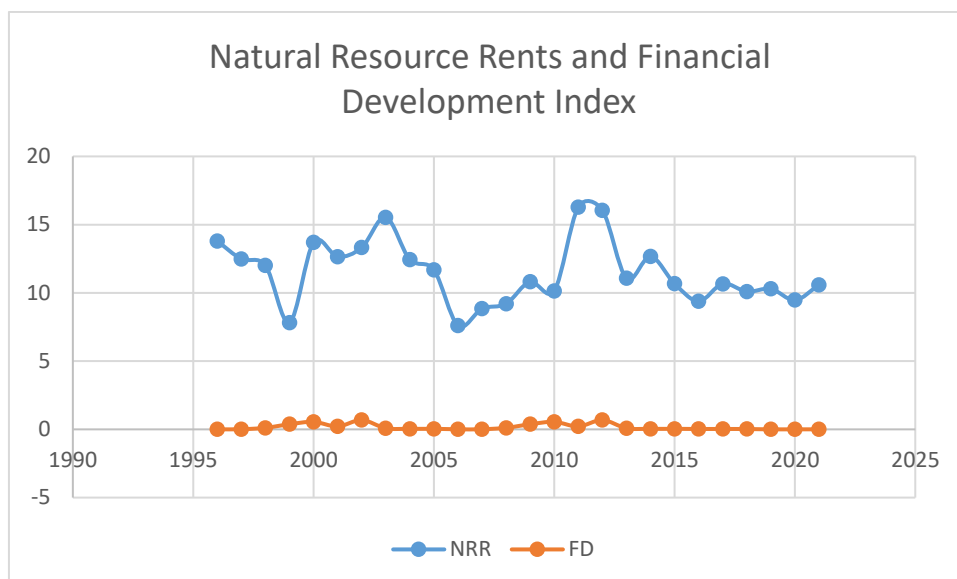


Figure 4. 1: Trends in Natural Resource Rents and Financial Development of Ghana
Source: Own construct based on data from the 2021 from WDI and IMF.

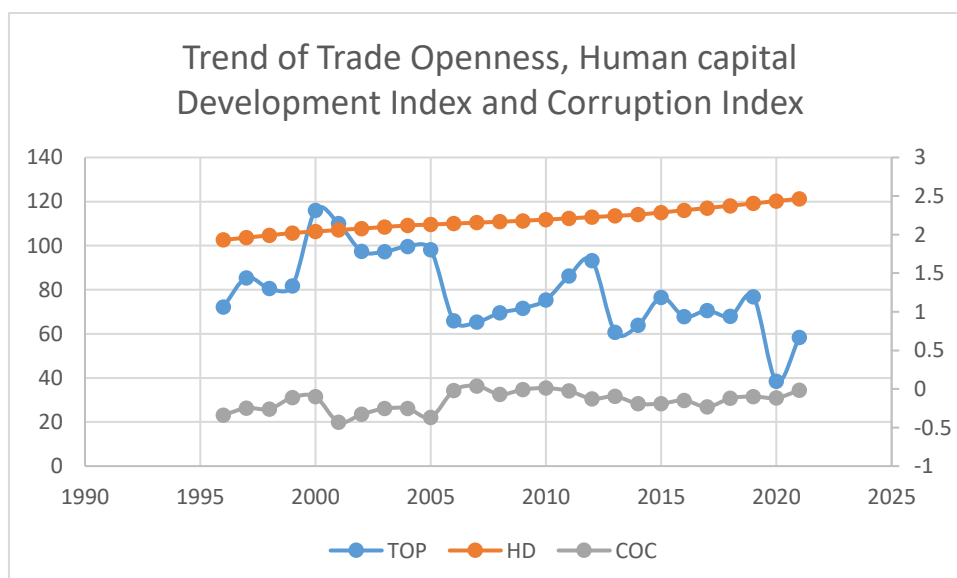


Figure 4. 2: Trade Openness, Human Capital Development and Corruption Index
Source: Own construct based on the 2021 WDI, Penn World Table (PWT, 9.1) and WGI.

In terms of the other macroeconomics and institutional variables, Figure 4.2 demonstrated that the variables have been alternating over the years although with upward trends except human development index that showed a complete upward trend without alternations.

Table 4. 1: Pairwise correlations

	Variable	[1]	[2]	[3]	[4]	[5]
[1]	NRR	1				
[2]	FD	0.3379*	1			
[3]	TOP	0.5789*	0.4860*	1		
[4]	HD	0.2950*	-0.2755*	-0.5864*	1	
[5]	COC	-0.3955*	0.0768*	-0.4987*	0.4312*	1

Note: * indicates no statistical significance. All other correlation coefficients are statistically significant at least 5% level.

Table 4.1 showed the pairwise correlations (or the degrees of association) among the variables employed in the study. Of particular interest are the correlation coefficients in column 1, which show the degrees to which natural resource rents is associated with the number of macroeconomic and other explanatory variables. The correlation coefficient between natural resource rents and financial development is 0.3379. It is both positive and statistically significant, suggesting that both variables do not only move in the same direction but are also moderately correlated. To what extent improvements in financial development over the study period can be ‘causally’ attributed to changes in natural resource rents and policy measures is the main subject of this study, and is empirically investigated in this chapter.

Table 4. 2: Summary statistics

Variable	Obs.	Mean	Std. Dev.	Minimum	Maximum
Natural Resource Rents (% of GDP)	26	11.5119	2.3329	7.6087	16.2914
Financial Development Index	26	0.1653	0.2218	0.0019	0.6773
Trade (% of GDP)	26	78.7354	17.4636	38.5168	116.0484
Human Development Index	26	2.1861	0.1460	1.9316	2.4648
Corruption Index	26	-0.1577	0.1257	-0.4289	0.0390

Source: Researcher’s Computation, 2022

Table 4.2 presents the summary statistics of all the variables included in the study. The average natural resource rents over the period 1996-2021 is 11.51%, with its lowest being 7.608% in 2006 and the highest being 16.291% in 2011. On average, 0.165% is the value of financial development changes took place each year during the study period with the lowest value of 0.001% and a highest value of 0.677%. Trade openness has an average value of 78.735% with a minimum and maximum values of 38.516 and 116.048% respectively. Average annual human development index of Ghana is 2.186 index with a standard deviation of 0.146 index over the study period. The mean corruption index of -0.157 index with a standard deviation value of 0.125 index which suggests that Ghana is partly corrupt (not clean), hence the presence of some weakness in Ghana’s institutions.

Unit root test results

Table 4.3 shows the results of the ADF tests for unit roots. As evident from the t-statistics of the level results, the null hypothesis of unit root (non-stationarity) is not rejected for all the variables. However, after first differencing, all the variables achieved stationarity, and the null hypothesis that each variable has a unit root is strongly rejected at 1% significant level. The overall conclusion from these results is that attained stationarity at first differencing. Armed with this finding, the study proceeded with the cointegration test.

Table 4. 3: ADF Unit root test results

Label	Variable	Level	Difference	Conclusion
NRR	Natural Resource Rents	-3.3457	-6.3058*	I(1)
FD	Financial Development	-3.1533	-7.9509*	I(1)
TOP	Trade Open (% of GDP)	-2.7010	-5.9903*	I(1)
HD	Human Development Index	-3.2070	-5.6620*	I(1)
COC	Corruption Index	-2.6203	-5.8805*	I(1)

Note: *,** indicate significance at 1% and 5% level respectively

After passing through the unit root test, the next stage is to check the long-run relationship among the variables using a co-integration approach. For this purpose, the study applied the Johansen approach to co-integration proposed since the variables are integrated of the first order. It is the pre-requisite to choose an appropriate lag length before proceeding to the co-integration test. Moreover, the selection of lag-length should be performed carefully because an inappropriate lag-length may lead to biased results and is not acceptable for policy analysis. Therefore, to ensure that the lag length was selected appropriately, the study used the Akaike information criterion (AIC) that helps to identify pertinent lag length. The AIC criterion provides dynamic results and has exceptional properties compared with the Schwartz Bayesian criteria (SBC). The results are reported in Table 4.4.

Table 4.4: Lag Selection Criteria Result

Lag	LogL	LR	FPE	AIC	SC	HQ
0	-104.6837	NA	0.0044	8.7746	9.0184	8.8423
1	-6.3666	149.4419*	1.32e-05*	2.9093*	4.3719*	3.3150*

Endogeneous: NRR, FD, TOP, HD, COC

Exogeneous: Constant

Note: * indicates lag selection by the criteria

Source: Author's computation using Eviews 10

Table 4.4 comprises the result of the lag order criteria conducted on the Vector Autoregressive (VAR) system. This is with the view to determining the appropriate lag length for the VAR estimation. The appropriate lag length selected by all the criteria is lag 1. The likelihood ratio, the final prediction error, the Akaike

information, the Schwarz and Hannan criteria selected lag 1 as shown by the asterisk at 5% significance level. Therefore, a lag of one is considered appropriate and has been selected for the estimation process on the result of the lag selection criteria. Hence, the Vector Error Correction Mechanism (VECM) was estimated using one lags, which is consistent with the optimal lag length recommended by the optimal lag length criteria.

Co-integration Test

According to Johansen (1991) co-integration can be used to establish whether there exists a linear long term economic relationship among variables. In this regards, Johansen (1991) asserts that co-integration allows researchers to specify a process of dynamic adjustment among the co-integrated variables and in disequibrated markets. Given that the series are I(1), the co-integration of series is a necessary condition for the existence of a long run relationship. The co integration results of both the Trace and Maximum-Eigen value statistic of the Johansen co integration test are presented and displayed in Table 4.5

Table 4.5: Johansen Co-integration Test Result

Hypothesized No of CEs	Eigen-Values	Trace Statistic	0.05 C.V.	Prob**
None *	0.8393	105.1527	69.8188	0.0000
At most 1 *	0.6621	61.2633	47.8561	0.0017
At most 2 *	0.6294	35.2184	29.7970	0.0108
At most 3	0.2493	11.3951	15.4947	0.1883
At most 4	0.1713	4.5112	5.8414	0.1037
Hypothesized No of CEs	Eigen-Values	Max-Eigen value	0.05 C.V.	Prob**
None *	0.839381	43.88932	33.87687	0.0023
At most 1*	0.662168	28.04494	27.58434	0.0476
At most 2 *	0.629402	23.82333	21.13162	0.0204
At most 3	0.249358	6.883849	14.26460	0.5030
At most 4	0.171360	4.5112	5.8414	0.1037

Trace test indicates 4 cointegrating eqn(s) at the 0.05 level

Max-Eigen-value test indicates 4 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Source: Author's computation using Eviews 10

It can be seen from Table 4.5 that both the trace statistic and the maximum Eigen value statistic indicate the presence of three co-integration among the variables. The value of the calculated Trace statistic is greater than the 0.05 critical value ($105.1527 > 69.8188$); ($61.2633 > 47.8561$); ($35.2184 > 29.7970$) respectively while the corresponding P-value (0.0000; 0.0017; 0.0108) are less than the 0.05 significance value respectively. Hence the null hypothesis of no co-integration is rejected at the 0.05 significance level. This confirms the existence of a stable long-run relationship among NRR as the dependent variable, financial development

(FD), trade openness (TOP), human capital development index (HD) and corruption index (COC as independent variables.

Similarly, the Max-Eigen statistic conforms to the result of the Trace statistic. From Table 3, the value of the calculated Trace statistic is greater than the 0.05 critical value ($48.8893 > 47.8561$); ($28.0449 > 27.5843$); ($23.8233 > 21.1316$) respectively while the corresponding P-value (0.0023; 0.0476; 0.0204) are less than the 0.05 significance value respectively. Hence, the null hypothesis of no cointegration is rejected while the alternative hypothesis of the presence of cointegration is accepted at the 0.05 significance level.

Base on the indication of three co-integrating vector among the variables, the estimated long-run equilibrium relationship for NRR can be derived from the normalized vectors as presented in Table 4.6.

Long Run Coefficients' Results

Table 4.5 presents the empirical results showing the impacts of foreign direct investments on the value added of the mining industry to GDP, while controlling for the impacts of other influential factors. Column 1 reports the baseline model based on the ordinary least squares (OLS). Reported in column 2 are estimates from our preferred VECM estimator. Similar results are reported in column 3 (FMOLS) and column 4 (DOLS) to demonstrate the robustness of the long-run estimates.

Table 4. 5: Estimated Long-run Impacts of NRR

Variable	OLS	VECM	FMOLS	DOLS
FD(-1)	1.7929** (0.3868)	-3.9107* (0.2979)	-2.5869** (0.1388)	-2.4384** (1.1492)
TOP(-1)	0.0594 (0.0358)	0.7244* (0.0822)	0.0496 (0.0385)	-0.1376 (0.2041)
HD(-1)	1.8406 (3.4798)	-2.7339 (5.6698)	1.8637 (3.8453)	2.1715 (7.7495)
COC(-1)	-4.3859 (4.1670)	-8.6735* (0.5789)	-2.4077 (4.3034)	-1.2295 (2.3589)
Constant	1.8136 (9.0391)	-43.891* (14.293)	2.7885 (10.1775)	12.0708 (16.1063)
R ²	0.3752	0.3043	0.3885	0.6407
Adj. R ²	0.2562	0.2509	0.2662	0.4160

Note: Dependent variable: NRR. VECM model of lag 1 was selected for model (1) based on the Schwarz Bayesian Criterion. * and ** indicate statistical significance at 1% and 5% levels respectively. The values in parenthesis are standard errors.

The coefficients of the financial development (FD) indexes are negative and significant at the conventional error levels. This indicates that, regardless of the econometric estimator or method used, financial development index exerts negative and significant effects on natural resource rents in Ghana. The coefficient of financial development index in model 2 (VECM model) suggests that the elasticity

of natural resource rents with respect to financial development index is -3.9107. It implies that a 1% increase in financial development index reduces natural resource rents by 3.9107%. While the estimated financial developments' elasticities of natural resource rents in models 3 (FMOLS model) and 4 (DOLS model) are lower (-2.5869%) and (-0.2.4384%) respectively, they are both negative and statistically significant. This demonstrates the robustness of the impacts of financial development index on natural resource rents in Ghana. This also confirms the resource curse hypothesis where the development of the financial sector dampens natural resource rents instead of improving it. This result is consistent with evidence from elsewhere. For instance, Asif et al (2020); Zameer & Shahbaz (2021), Atil et al (2020); Dogan, et al (2020) all explore the dynamic interaction between financial development and natural resources rents, conclude that in the long run, there is a negative relationship between coal rents, forest rents, natural gas rents, and oil rents and domestic credit to private sector (financial development), which supports the "natural resource curse hypothesis" in a country. The other findings support the "financial resource curse" concept in a country by demonstrating that whereas coal and oil rents reduce the overall money supply (financial development), natural gas rents reduces market capitalization (financial development indicator). A recent study by Shobande & Enemona (2021); Musa et al (2022), used the Multivariate VAR Model to evaluate sustainable finance and natural resource curse in Ghana and Nigeria offered more proof of the financial resource curse affecting Ghana and Nigeria.

Turning attention to the control variables, the results show that the coefficient of trade openness shows significance in most of the models indicating that apart from financial development that influences natural resource rents, other determinants of natural resources is trade openness in the models. In all the models, trade openness increases natural resource rents in the long run. A 1% increase in trade openness would lead to a 0.7244% increase in natural resource rents.

In addition, institutional quality index captured by the index of corruption indicated significance to reduce natural resource rents into Ghanaian economy. In all the models, corruption index is found to reduce natural resource rents. A 1% increase in the index of corruption using the VECM model would lead to a decrease in natural resource rents by 8.6735%. This implies that the weak institutions and regulations reduces resource rents. The result is in line with the study of Siakwa (2006) who found out that natural resource rents reduced in the presence of weak democratic institutions.

The coefficients of determination of the 4 models indicate that the value ranges between 30.4% - 64.4% with model 4 (OLS) having the highest coefficient of determination (64.07%).

Short run Results

The results of the parsimonious and short run error correction model are reported in Table 4.6. Of particular interest is the coefficient of the error correction term (ECM), which captures the speed of adjustment towards the long-run equilibrium as a result of changes in the determinants of mining industry value added to GDP. From the results, the coefficient of ECM (-0.3917) is both negative and statistically significant. The coefficient, implies that a deviation from the long-run in the previous period is corrected by 39.17% in the current period. This also confirms the presence of cointegration or a long-run relationship between natural resource rents and its determinants.

Table 4. 6: The short run model

Variable	Coefficient	Std. error	t-statistic	Probability
D(NRR ₍₋₁₎)	0.1988**	0.0814	2.0631	0.0267
D(FD ₍₋₁₎)	0.7387**	0.2424	2.350	0.0118
D(TOP ₍₋₁₎)	0.0333	0.0826	0.4040	0.8896
D(HD ₍₋₁₎)	-44686	10.7140	-0.4342	0.8796
D(COC ₍₋₁₎)	7.4912	6.3621	1.1994	0.1343
ECM ₍₋₁₎	-0.3917**	0.163	-5.508	0.0264

Notes: Dependent variable: $\Delta(\text{NRR})$. VECM model of lag 1 was selected using on the Schwarz Bayesian Criterion. ***, ** and * indicate statistical significance at %, 5% and 10% levels respectively.

The results suggest that changes in natural resource rents in the previous year $\Delta(\text{NRR}_{(t-1)})$ can induce positive impacts on changes natural resource rents in the current period, possibly due to short-run. In addition, and in the short run, financial development index contributes to natural resource rents. This is not consistent with the evidence from the long-run results, financial development index reduces natural resource rents. With respect to the control variables, it is found that changes in trade openness, human development index, and corruption index in the previous period (but not in the current period) do not impact significantly on natural resource rents in the short run.

Table 4. 7: Diagnostic checks

Panel A: Goodness of fit			
F-statistic	2.6453		
Prob (F-ststistic)	0.0000		
R ² adjusted	0.3041		
Panel B: Breusch-Godfrey Serial Correlation Lagrangian Multiplier (LM) Test:			
Null hypothesis: No serial correlation			
F-statistic	2.3689	Prob. F(2,11)	0.2687
Obs*R-squared	6.3135	Prob. Chi-Square(2)	0.1584
Panel C: Heteroscedasticity Test: Breusch Pagan-Godfrey			
Null hypothesis: Homoscedasticity			
F-statistic	1.3921	Prob. F(10,12)	0.2942

Obs*R-squared	12.4176	Prob. Chi-Square(10)	0.2651
Scaled explained SS	1.7943	Prob. Chi-Square(10)	0.9982

Panel D: Residual Normality Test

Null hypothesis: Residuals are multivariate normal

Joint F-statistic	4.1281	Prob. Chi-Square (11)	0.5311
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To ascertain the validity of the results for policy inference, tests for serial correlation, heteroscedasticity and residual normality were conducted. The results of the diagnostic checks are provided in Table 4.7. As shown in Panel A, the F-statistic for the joint significance all the explanatory variables is statistically significant at 1 percent. This suggests that all independent variables are together significant in determining natural resource rents. The values R^2 (coefficient of determination) indicate that the variations in explanatory variables included in the model account for 30.4% - 64.3% of the variations in natural resource rents. This suggests a very good fit of the model, thereby confirming its predictive power.

Lastly, the test results in panels B, C, and D, show the absence of serial correlation, heteroscedastic residuals/errors, and residual non-normality respectively. This is because their probabilities (p-values) are well above the 5 percent significance level, indication the absence of significant evidence to reject the null hypotheses that the errors are serially correlated (Panel B), homoscedastic (have constant variance) (Panel C) and residual non-normality (Panel D).

Conclusion

This study illuminates the intricate interplay between sustainable finance and natural resource rents in Ghana's mining sector, revealing that financial development, while conventionally expected to bolster resource-based growth, exerts a statistically significant negative influence on natural resource rents in the long run (VECM elasticity = -3.9107, $p < 0.01$). This finding empirically reinforces the "financial resource curse" hypothesis, aligning with Asif et al. (2020), Zameer & Shahbaz (2021), and Atil et al. (2020), who highlight similar dampening effects of domestic credit expansion on extractive rents. Conversely, the short-run results suggest that financial development can temporarily enhance resource rents, indicating a dynamic adjustment consistent with the institutional, stakeholder, and stewardship theoretical frameworks underpinning this study, which emphasize endogenous finance and governance in mediating resource outcomes. Control variables such as trade openness and institutional quality further substantiate the critical role of governance and policy in harnessing resource wealth. While our findings echo the resource curse evidence from Nigeria and Venezuela (Dogan et al., 2020; Badeeb et al., 2020), they diverge from studies suggesting unmitigated benefits of financial expansion in resource-rich contexts (Haseeb et al., 2021; Wu et al., 2018). By integrating VAR-VECM and cointegration analyses, this research offers a robust empirical foundation, inspiring a reimagined approach to sustainable

finance as a transformative mechanism for equitable, resilient, and environmentally aligned resource governance.

Following the conclusion herein, policy implications are clear: strengthening institutional frameworks, enhancing financial intermediation, integrating green and social finance mechanisms, and promoting transparency in mining revenues are essential to mitigate the resource curse.

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CHAPTER 3

BEYOND THE NUMBERS: UNPACKING CHINA'S INVESTMENT FOOTPRINT IN AFRICA – THE CASE OF GHANA

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Abstract

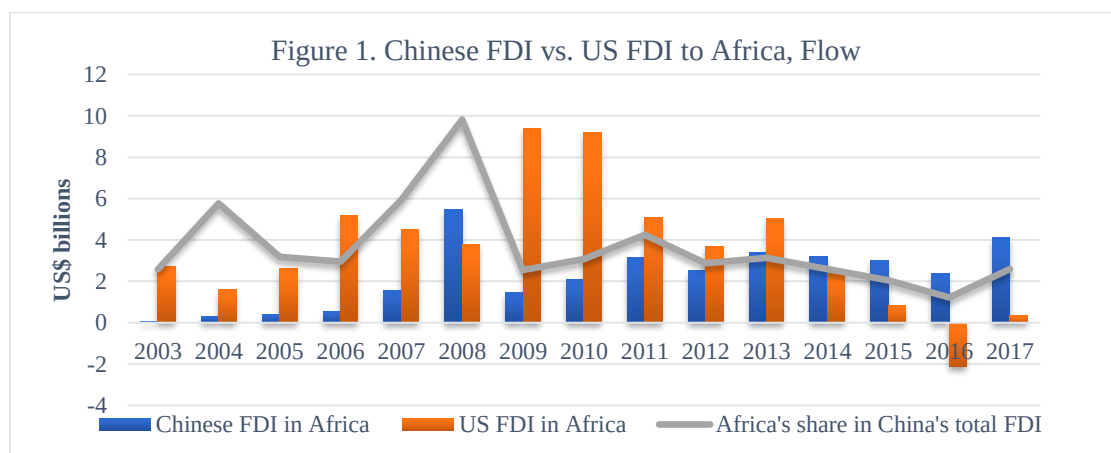
This paper evaluates the extent and nature of China's foreign direct investment (FDI) in Ghana and examines the current status of the academic inquiry on the impact of China's FDI on employment and knowledge transfer. Four interesting insights emerge. (1) There is a widespread belief that China's FDI is dominated by state investment. However, data reveal that private investments are larger in numbers. These private investments are small in scale and rely on greenfield as an entry mode. (2) The focus of investment is often thought to be in resource extraction. But the leading sectors for China's FDI in Ghana are general trade and manufacturing. (3) Though China's FDI has generated new jobs and there is evidence of on-the-job training, there is inadequate empirical research on the nature of the jobs and how to localize senior management team. (4) Knowledge transfer and knowledge spillovers exist. But there is no study on whether this has led to productivity improvement. It is hoped that this paper will set the tone for generating more empirical academic research work in future so that discussions and policy making are evidence-based.

Keywords: China's FDI, Ghana, Knowledge Transfer & Knowledge Spillover, China's Outward Direct Investment in Ghana: Myths and Realities

Introduction

Since 2000, China's FDI into Africa has accelerated, in contrast to the US's declined interest (Figure 1). In terms of cumulative flows, China's FDI reached US\$36 billion by the end of 2016, climbing from US\$491 million in 2003. The rapid growth of China's investment in Africa has drawn widespread media, political and academic attentions and has been much debated (Balasubramanyam, 2015). There is accusation about Chinese investment being of self-serving, opportunistic and extractive in nature, threatening local economy, and crowding out local employment through employing Chinese nationals instead of locals (Brautigam, 2011). China is said to be practising neo-colonialism (Wang & Elliot, 2014). But others have argued that China's development offers a model for African countries

to follow and China is an ideal partner for development given her “no-strings attached” policy (Zafar, 2007). According to Afrobarometer Round 6 survey (conducted in 2014/15) of citizens in 36 African countries, 24% considered the Chinese model as the preferred model of national development, only less influential than the US model which is viewed by 30% as the preferred model but more than the former colonial powers (13%), South Africa (11%) and India (2%). The Chinese model is very much the East Asian development model, i.e. export-led strategy and prioritising industry, particularly manufacturing, to other sectors. What makes China different from some of her neighbours are the main focus on foreign direct investment (FDI) and the effective utilisation of Chinese diaspora (Wei & Wang, 2009). Ascertaining the impact of Chinese FDI in Africa, therefore its role as a development partner, is important. However, rigorous and systematic research is limited in scale. Myths and misconceptions abound. Additionally many studies have taken the African continent as a whole for the unit of analysis as if the continent is homogenous (e.g. Akhtaruzzaman et al., 2017; Biggeri & Sanfilippo, 2009; Busse et al., 2016; Doku et al, 2017; Donou-Adonsou & Lim, 2018; Drogendijk & Blomkvist, 2013; Elu & Price, 2010; Gu, 2009; Gu et al., 2016; Jenkins & Edwards, 2006; Kolstad & Wiig, 2011; Mourao, 2018; Nabil Khodeir, 2016; Sanfilippo, 2010; Soumare et al., 2016; Wegenast et al., 2019; Xu, 2014). But the 54 African countries could not have been more different from each other. It is important to study individual country cases, taking into account country context so as to provide more nuanced understanding.



Source: China-Africa Research Initiative (<http://www.sais-cari.org/chinese-investment-in-africa>)

This research is an exploratory paper with a focus on systematically assessing the existing evidence and academic literature on China’s FDI in Ghana. Why Ghana? Ghana is chosen because of a couple of reasons. First, China and Ghana have long established relationship that goes beyond economic cooperation (see the Appendix 1). Ghana is also the first African country to sign a bilateral investment treaty with China in 1989 which became operational in November 1991. China has been continuously making investment in Ghana and involved in Ghana’s economic

development in diverse ways. Second, Ghana is one of the fastest growing economies in the world and its structural transformation has been under the influence of the Chinese model albeit receiving advice from the IMF and the World Bank. Afrobarometer Survey reveals that China's influence in Ghana is perceived by 27% of Ghanaian to be most influential which is only behind the US (33%) and ahead of former colonial powers and South Africa. Nevertheless, whether the influence is perceived to be positive, or negative is quite mixed with 34% of Ghanaian view it being positive, 36% negative and 29% neutral. Through a thorough review of the existing research, this paper evaluates the extent and nature of China's FDI in Ghana and examines the current status of the academic inquiry on the impact of China's FDI on employment, knowledge transfer and knowledge spillovers. It is hoped that this paper will set the tone for generating more empirical academic research work in future so that discussions and policy making are evidence-based. In section 2, we provide discussion on the institutional environment for China's FDI in Ghana. This sets out the background for subsequent analysis of the extent and nature of China's FDI and its impact. Section 4 then concludes the analysis and discussion.

The Institutional Environment for China's FDI in Ghana

Both home and host country institutions matter to FDI. Though Chinese firms have been internationalising both internally through pairing up with foreign MNEs in China in the form of joint ventures or strategic alliances or externally through exporting, and have accumulated extensive internationalisation experience since opening up, they are still less established as outward investors than many Western MNEs. The extant research on patterns, determinates and motivations of Chinese FDI has highlighted the significant role placed by home country institutions (e.g. Deng, 2015, Wei et al., 2014). The issues are two folds.

First, institution shapes firm strategy and behaviour. Firms, within a given country context, therefore, have to adopt unique routines and repertoires and develop particular resources and capabilities conforming to institutions (Dhanaraj & Beamish, 2009). The ownership advantages from the possession of resources and capabilities that Chinese firms enjoy particularly bear home country characteristics. As latecomers, similar to other emerging economy MNEs, Chinese MNEs more or less suffer from not having well-known brands, advanced technologies, superior management know-how and international market experiences (Wei et al., 2014; Zheng et al., 2016). This makes them less competitive while trying to penetrate developed country markets. However, their competitive advantages lie in the ability to produce goods with low-income characteristics and the capabilities to adapt and sustain operations in "weak, precarious and challenging foreign markets" (Parente et al., 2019).

Second, though China has been in institutional transition from a centrally planned economy to a market-based economy since 1978, Chinese firms still benefit from

government supports (Lu, Liu, & Wang, 2011). These supports can be in various forms e.g. favourable policy, financial subsidy, international networks and market knowledge. China has also agencies in the host countries aiming at guiding and supporting international business. For example, the Chinese embassy provides traders and investors with information on local institutions, contacts in local authorities and market intelligence. For FDI specifically, China's launch of "Going Global" policy in 2000 symbolizes China's growing international ambition and Chinese firms' strengthening of competitive advantages. Since then, the Chinese governments, central and local, generally perceive outward FDI positively and actively attempt to provide an institutional environment that enables Chinese firms to engage in FDI. China's overall FDI activities therefore after 2000 have seen significant increase.

Lu et al. (2011) find that government support have both direct and indirect effects on Chinese FDI motive and suggest that such support is more than background condition but an active agent. Similarly, Wei et al. (2014) find that institutional support, that include favourable regulatory environment, government policy and support from industry associations and intermediary organisations, facilitate exporters to undertake FDI. Nevertheless, Tang (2018), based on the interviews of 33 companies out of 183 registered Chinese manufacturing investors in Ghana, reports that it was the Ghanaian policies that affected their investment decisions rather than Chinese government's financial support.

Relative to many African countries, Ghana stands out as a success story of development. It has enjoyed a longer period of political and economic stability for close to thirty years. Vision of Humanity produces Global Peace Index placed Ghana in the 40th and 50th between the period of 2008 and 2018, achieving the best position of 41st out of 163 countries in 2018 and only behind Mauritius among the 15 leading African destination countries for Chinese FDI (Table 1).

Table 1. 15 Leading African Destinations for Chinese FDI

		FDI stock, 2016 (US\$ billions) ¹	MOFCOM- reported FDI stock, 2013 (US\$ billions) ²	Adjusted FDI stock, 2013 (US\$ billions) ²	Average GDP growth rate, 1990- 2016 (%) ³	GDP per capita, PPP (US\$ 2011 international price), 2016 ³	Ease of doing business ranking (out of 185 countries), 2019 ⁴	Global peace index (out of 163 countries), 2018 ⁵	Rule of Law index ranking (out of 126 countries), 2019 ⁶	Corruption index ranking (out of 180), 2018 ⁷	Adult illiteracy rate (%) ⁸
1	South Africa	6.50	4.40	4.07	2.4	12287	82	125	47	73	5.9
2	Congo, Dem. Rep.	3.51	1.09	1.55	1.0	805	184	156	124	165	20.7
3	Zambia	2.69	2.16	3.26	4.5	3652	87	48	92	105	17.0
4	Algeria	2.55	1.50	2.21	2.9	13921	157	109	72	105	24.9
5	Nigeria	2.54	2.15	2.93	5.7	5435	146	148	106	144	48.9
6	Ethiopia	2.00	0.77	1.15	6.6	1608	159	139	118	114	NA
7	Ghana	1.96	0.83	1.29	5.4	3983	114	41	48	78	28.5
8	Zimbabwe	1.83	2.16	3.26	1.1	1880	155	124	116	160	11.3
9	Angola	1.63	1.63	2.47	5.7	5972	173	83	111	165	34.0
10	Tanzania	1.19	0.72	1.28	5.4	2584	144	51	91	99	32.2
11	Mauritius	1.18	0.85	1.08	4.6	19567	20	20	37	51	7.5
12	Sudan	1.10	1.51	2.03	5.0	4386	162	153	NA	172	46.5
13	Kenya	1.10	0.64	1.50	3.7	2927	61	123	101	144	21.3
14	Uganda	1.01	0.38	0.61	6.6	1687	127	107	113	149	26.8
15	Egypt	0.89	0.51	0.60	4.3	10324	120	142	121	105	24.9
	Total	39.88	26.33	38.87							

Note: NA = not available.

Sources: ¹UNCTAD Bilateral FDI Statistics; ²Casanova, Garcia-Herrero and Xiao (2015); ³World Bank; ⁴World Justice Project (<http://data.worldjusticeproject.org/>); ⁵Transparency International (<https://www.transparency.org/cpi2018>); ⁶African Statistical Yearbook 2018 (https://www.uneca.org/sites/default/files/PublicationFiles/asyb_2018_final_16may.pdf).

Economically, Ghana is one of the fastest growing economies in the world and it is also one of the better places for doing business in Africa according to the World Bank's Ease of Doing Business Report (see Table 1). The Structural Adjustment Programmes (SAPs), adopted in the 1980s when the country was facing near collapse and reinforced by the government's strong will for economic reforms, have received much success judging by GDP growth as Ghana was much ahead of many Sub-Saharan African countries enjoying an average GDP growth rate of 5.4% between 1990-2016.

Ghana has established democratic institutions and systems to ensure good governance and the rule of law. It has one of the best ranked countries in the region according to Rule of Law Index and Corruption Index. As part of economic and political liberalisation, the government has committed to implement policies that reduce transaction costs and promote investor confidence in the country. Much effort has been made to revive economic activities, scale down bureaucratic obstacles and interventions, embark on privatization programs and put in place pro-active investment measures (Agyeman-Duah, 2008). In 2001, Ghana launched what is called the "Golden Age of Business" to open up the economy further. This timing broadly coincides with China's need for "Going Global". So, when Chinese firms were searching for outward investment opportunities because China is losing its comparative advantages in labour-intensive and low-tech manufacturing activities (Shen, 2015), Ghana's conducive investment climate and the favourable bilateral relation between Ghana and China (see the Appendix) have simultaneously played a positive role in attracting Chinese FDI into Ghana.

The expansion of China's investment in Ghana could also be due to the catalysts which speeded up Chinese investment inflows into Africa, particularly the ministerial conferences of the Forum on China-Africa Cooperation (FOCAC).

FOCAC started in 2000, and its establishment reflects the growing economic ties between China and the African continent. China has also lent support to the African Union (AU) and the New Partnership for Africa's Development (NEPAD) as initiatives to foster African advancement. In January 2006, China launched what is termed as "China's African Policy" which focuses on the Chinese government's cooperation with Africa in the areas of politics, economics, education, science, culture, health and military¹, further reinforce the cooperation between China and the continent.

In terms of resources, Ghana also offers many advantages. Ghana has a strong resource pool, second largest cocoa producer in the world and Africa's biggest gold miner after South Africa. From human resource perspective, it has a sizable population with reasonable labour force participation rate (Table 1) and the labour force is competitive and educated, making Ghana one of the most competitive minimum wages in the West African sub-region at an annual average rate of \$558 (World by Map 2018). The growing population are middle class which generates much demand for goods and services. In terms of infrastructure, Ghana is in a better state than her neighbours. It has refurbished world class airport within the West African sub-region serving numerous flights from within the continent of Europe and the rest of the World. Ghana is home to one of West Africa's largest ports (Tema which is currently being upgraded to handle 3.5 million TEUs) centrally located in the region. It also offers a good network of roads and financial services and immediate access to the Economic Community of West African States (ECOWAS). Finally, geography is also a positive factor for Ghana with an average of 8 hours of flying time to Europe and the Americas.

The Extent and Nature of China's FDI in Ghana – What does the Literature Tell us?

There is much confusion about the extent and the nature of China's FDI in Africa in general and in that in Ghana in particular. This is partially because of the difficulty associated with data. It is well known that there is large discrepancy between data published in the home country, China, and any of the host countries in Africa, including Ghana and this can be attributed to FDI by private-owned enterprises (POEs) who may not always or need to comply with China's official certification requirements², while state-owned enterprises (SOEs) generally do (Shen, 2015). Tang (2018) collected data from both China and Ghana. The figures from different sources could not have been much further apart, with MOFCOM (the Chinese Ministry of Commerce) reporting 154 registered Chinese FDI projects in

¹ <https://www.fmprc.gov.cn/zflt/eng/zt/zgdfzzcwj/t230479.htm> (accessed on 29 May 2025)

² The certification requirement only applies to projects above US\$10million. Since October 2004, MOFCOM is responsible for projects above US\$100million and the provincial government approves projects between US\$10million and US\$100million.

Ghana as of January 2015, while Ghana Investment Promotion Centre (GIPC)³ reporting 560 in total as of July 2014. Brautigam, Tang and Yang (2018) report, there were 157 MOFCOM-registered FDI projects between 2000-14, while the number of registrations with GIPC is 560. Similarly, Shen (2015) find that 5.5 times as many Chinese FDI projects are reported by GIPC (478) than MOFCOM (87) as of end 2011. Casanova et al. (2015) address the issues of round-tripping and offshoring and make the adjustment to the year 2013 data. FDI stock in Ghana is estimated to be US\$1.29 billion in contrast to US\$0.83 billion as reported by MOFCOM (see table 1). Therefore, it is important to report the source of data when carrying out analysis and compare findings from different data sources. Data used in this paper are gathered from official publications of China and Ghana and primary data collected by researchers.

Like China's FDI in other Africa countries, China's FDI in Ghana has been controversial. There are a number of critiques on the extent, nature and impact of China's FDI in Ghana, e.g.

- China's FDI in Africa including Ghana is predominantly "state investment" made by state-owned enterprises (SOEs), therefore politically driven, not economically driven, satisfying China's geopolitical ambition, not local development need.
- China's FDI is mainly exploitive in nature, concentrating on nature resource sectors, e.g. oil, gas and mining.
- China's FDI crowd out local employment by hiring Chinese nationals.
- China's FDI does not lead to knowledge transfer.

But how far are these critiques from data and empirical evidence? Below, we shall challenge the stereotypical views based on official statistics or information provided in existing studies. We review all peer-reviewed articles published on China's FDI in Ghana to build the discussions in this section. In comparison to a growing number of research on China's FDI in Africa, only a few are about Ghana. The extensive search of the literature has identified the following: (Auffray & Fu, 2015, Brautigam, Tang, & Ying, 2018, Idun-Arkurst, 2008, Odoo, 2017, Tang & Gyasi, 2012, Tang, 2018).

Issue 1: Who are the Chinese investors in Ghana and what are their characteristics?

There is a widespread belief that SOEs dominate China's FDI in Africa and they are instruments of China's foreign policy, motivated by political reasons rather than economic gains. There is some truth in it, as before 2000, much of Chinese investment was carried out by large SOEs who concentrated in nature resources and

³ The GIPC is a government investment promotion agency that is responsible for the registration, monitoring and record keeping of all enterprises in the country, except for those in the free zones who report to Ghana Free Zones Board (GFZB).

construction sectors (Xu, 2014). These large SOEs were small in number but their volume of investment was large in scale. Thus, if we define “dominance” using FDI volume indicator, for earlier years, we are likely to draw a conclusion of China’s FDI being dominated by SOEs. These SOEs’ motives did have a political dimension. However, following the deepening of economic reforms, over time, even these SOEs have become profit driven. They carry some political agenda and social responsibilities, but these have to be balanced with financial objectives as managers risk losing their jobs if the companies are not profit-making (Xu, 2014).

If we focus on more recent years and the number of projects, a different picture of China’s FDI in Africa emerges. It is private-owned enterprises (POEs) driven, which have become a dominant force and their business activities are mostly in services and manufacturing (87.6% in terms of the number of deals) (Chen, Dollar, & Tang, 2016). It is difficult to know the precise number of POEs in Africa as they do not necessarily register with Chinese authorities and some of China’s reporting is based on planned investment not realised investment (Tang, 2018). The estimated number varies significantly. The Chinese EXIM Bank estimated that approximately 85% of 800 Chinese firms in Africa were POEs in 2006 (Gu, 2009). MOFCOM figure show 53% of 2398 approved firms investing in Africa were POEs between 1988-2012 (Zhang, Wei, & Liu, 2013). In the case of Ghana, there is a similar story. MOFCOM reported that 60% of 117 approved Chinese firms investing in Ghana were POEs between 1988-2012 (Zhang, Wei, & Liu, 2013). The recognition of firms with different ownership is important as SOEs and POEs are expected to have different strategic motivation, entry approach, local embeddedness and outcomes (see table 2), therefore different implications on employment and knowledge transfer/spillovers.

Table 2. China's FDI in Ghana, 2000-2008

Year	Number of registered Chinese projects in Ghana	Investment from Chinese companies (US\$ millions)	Ghanaian equity (US\$ thousands)	Ghanaian loan (US\$ thousands)	Chinese equity and loan (%)	Total investment in Ghana (US\$ millions)	China's FDI share as % of total	Expected employment to be generated (Ghanaians)	Expected employment to be generated (non-Ghanaians)	% of Ghanaians (%)
2000		4.63	41	115	97	132.06	3.51	197	32	86
2001		6.42	59	150	98	97.94	6.56	449	60	88
2002		2.56	110	-	96	69.67	3.67	428	76	85
2003		2.00	536	53	76	118.48	1.69	206	56	79
2004		2.83	50	10	98	205.01	1.38	385	70	85
2005		16.85	105	340	97	213.74	7.88	1078	149	88
2006		14.23	2091	-	86	2367.87	0.60	1350	203	87
2007		153.17	1128	2	99	359.01	42.66	1816	330	85
2008		11.70	111	-	99	3540.13	0.33	2162	262	89
2009		22.96				627.73	3.66	1301	245	84
2010		96.47				1281.6	7.55	2791	739	79
2011		145.51				7685.57	1.89	2649	575	82
2012		34.47				5630.70	0.61	1220	271	82

Source: Data from GIPC cited in ACET (2009) and Boakye-Gyasi and Li (2015)

Table 3: A Comparison of Chinese SOEs and Chinese POEs

	Chinese SOEs	Chinese POEs
Strategic motivation	Both economic rationality and political agenda	Economic rationality particularly profit-maximisation
Attitude towards country risk	Risk-taker	Risk-averse
Resources and capabilities	Usually, abundant	Limited resources, but are highly flexible, adapt quickly to local conditions and have strong entrepreneurship
Government support	Usually available	Limited
Entry approach	Radical approach	Incremental approach
Local embeddedness	Less extensive use of local resources	Extensive use of local resources
Performance implication	Less likely to pursue sound investments which result in profitability	More likely to pursue sound investments which result in profitability
Social Responsibility	More concerned	Less concerned

Source: Adapted based on Gu (2009), Lin and Farrell (2013) and Zhang, Wei and Liu (2013)

There are two further important features of Chinese FDI in Ghana. Firstly, Chinese firms are mostly small to medium-sized. Between 1994 and 2008, China registered the largest number of FDI projects in Ghana but these 383 projects only totaling US\$277 million, in comparison to the UK with 250 projects totaling US\$4,883 million, US with 171 projects totaling US\$2,513 million and Italy with 84 projects totaling US\$135 million (ACET, 2009). Excluding the single largest investment of US\$134million in manufacturing for the Sunon Asogli Power (Ghana) project in 2007, the average size of China's FDI is US\$374,000. This is consistent with the field work evidence provided by Brautigam, Tang and Ying (2018) who interviewed 16 Ghanaian firms, all in rubber and plastic sector. Their investments ranged from US\$150,000 and \$450,000, employing between 10 to 90 local nationals. But small size is not unique to China. India, the second largest investor with 379 projects, only invested US\$171 million. Secondly, Chinese firms are largely greenfield

wholly owned subsidiaries (WOS) (table 2). The dominance of China's FDI by POEs, small-scale operations and greenfield WOS have implications on job creation and knowledge spillovers which we will illustrate below.

Issue 2: Which sectors do Chinese firms invest in?

“Extraction of resources” is perceived by 43% of Ghanaian as the most significant factor shaping negative images of China. Nevertheless, mining is not the main sector for China's FDI. Excluding the single largest investment of US\$134million in manufacturing for the Sunon Asogli Power (Ghana) project in 2007, ACET (2009) reports that general trade sector attracted 56% of China's FDI volume between 2000-08 which is followed by 26% in manufacturing (see Table 4). In terms of employment opportunities, though, manufacturing was in the lead which is followed by general trade sector. Looking at the number of FDI projects, both Shen (2015) and Tang (2018) reveal that there is a significant number in manufacturing. According to MOFCOM, 70 out of 154 (i.e. 45%) registered-FDI projects were in manufacturing as of January 2015, but GIPC data reveal 179 out of 560 (i.e. 32%) projects were in manufacturing as of July 2014 (Tang, 2018).

Within manufacturing, China's FDI is distributed in a number of sectors. Although mineral processing sector is the leading one in terms of the number of projects but only represented only 26% in Ghana which is unlike Democratic Republic of Congo, Zambia and Zimbabwe where more than 50% of the registered-FDI projects are in mineral processing (Table 5). This concentration of FDI in the low-tech, low-skill sectors has implication on job creation/losses and knowledge transfer/spillovers.

Table 4. Sectoral Distribution of China's FDI in Ghana

Sector	Investment from Chinese companies (excluding the US\$134million in 2007 in manufacturing) (US\$ millions), 2000-08	Share of China's FDI (excluding the US\$134million in 2007 in manufacturing) (%), 2000-08	Total investment in Ghana (excluding the US\$134million in 2007 in manufacturing) (US\$ millions), 2000-08	China's share of Ghana's total FDI (excluding the US\$134million in 2007 in manufacturing) (%), 2000-08	Expected employment to be generated (Ghanaians), 2000-12	Expected employment to be generated (non-Ghanaians), 2000-12
Manufacturing	21.9	26.1	7,260.1	0.3	6377	978
Service	4.4	5.2	736.8	0.6	1845	426
Tourism	2.6	3.1	100.0	2.6	1150	179
Building and construction	3.1	3.7	2332.7	0.1	2631	536
Export trade	0.6	0.7	30.4	2.0	216	56
Agriculture	4.7	5.6	154.2	3.0	320	50
General trade	46.6	55.5	1,029.6	4.5	3287	700
Liaison	0	0.0	9.5	0.0	77	135
Total	83.9		11,653.3		15903	3060

Source: Data from GIPC cited in ACET (2009) and Boakye-Gyasi and Li (2015)

Table 5. Sectoral Distribution of Registered-FDI Projects in Major African Countries, as of January 2015

Sector	South Africa	Congo, Dem. Rep.	Zambia	Nigeria	Ethiopia	Ghana	Zimbabwe	Tanzania
Agro-processing & food	3	3	17	17	9	13	14	17
Textile & leather	25	0	3	18	31	7	7	12
Wood & paper	3	2	8	19	2	7	3	3
Petro & chemicals	4	2	4	14	7	5	3	4
Rubber & plastics	6	0	1	15	2	3	1	2
Mineral processing	25	58	69	14	31	18	42	16
Equipment manufacturing	33	3	19	68	32	16	8	23
Recycling and others	4	0	2	7	3	1	0	2
Total	103	68	123	172	117	70	78	79

Source: MOFCOM cited in Tang (2018)

Issue 3: What is the employment effect of China's FDI in Ghana?

African countries including Ghana is characterised by scarce capital, but abundant labour. The employment creation and human capital augmentation are particular important. There exists a perception that Chinese firms bring in all their own workers and do not hire Africans (Brautigam, 2011). But in the case of Ghana, this perception could not have been further from the reality. According to GIPC, between 2000-2010, Chinese FDI was expected to generate more employment for Ghanaians than foreign nationals (see Table 2). The expected share of job creation for Ghanaians ranged between 79% to 89% out of all the new jobs. This is likely to be because of greenfield entry mode widely adopted by Chinese investors.

Nevertheless, there is significant sectoral difference in terms of employment creation. Manufacturing is more likely to generate more jobs than construction, for example. Manufacturing is dominated by POEs who are in general not well organized, face resource constraints and receive limited support from the Chinese government, therefore, tend to use host country resources more extensively (Lin & Farrell, 2013). As reported by Tang (2018), the 35 Chinese private manufacturing firms, which they surveyed, employ 10 times of local Ghanaian workers (3226) than foreign nationals (who are mostly Chinese) (322). But in construction which

is dominated by SOEs, the ratio of foreign to local employment ranges between 1:8 to 1:2 as reported by Auffray and Fu (2015).

The second dimension associated with employment is human capital augmentation in the form of training and skill building. There is no systematic analysis, only anecdotal evidence on this issue. Auffray & Fu (2015) and Tang (2018) report Chinese firms offer on-the-job training. However, Shen (2015) notes that though workforce training was common in POEs, it was mostly limited at the low-skill operational level.

One main area of contention is associated with Chinese investors not hiring Ghanaians in senior management positions. Tang (2018) report that this is because some Chinese firms do not trust local workers. But fundamentally, this is likely to be associated with cultural differences and language barriers (Jackson, 2014). Arguably, China has little in common with Ghana in terms of culture. Though the two countries have long history of economic and political cooperation, there are limited understandings between people. This cultural difference is amplified by language barriers as many Chinese workers and managers do not speak fluent English while very few Ghanaians speak Chinese. What does not help is also the fact that Chinese expatriates tend to live in compounds and have limited contact with the local community (Brautigam, 2011, Wang & Elliot, 2014). Nevertheless, it is encourage to see that Auffray & Fu (2015) report that one of the three Chinese construction companies included in their study initiated a managerial localisation programme, aiming to localise senior management team.

Finally, related to employment, there are concerns about labour standards and job security. POEs are likely to pursue short-term strategy that focus (nearly) exclusively on profit, they are readily to shut down businesses when things get tough, thus resulting in job losses. Tang (2018) reports, out of the 183 Chinese manufacturing firms that registered with Ghanaian authorities, at mostly 20% can be confirmed as currently in operation.

Issue 4: To what extent has the knowledge been transferred through China's FDI in Ghana?

Knowledge transfer and spillovers have been considered to be one of the most significant benefits that a host country can enjoy from FDI (Wei & Wang, 2009). The literature on FDI spillovers is based on the notion that MNEs must possess superior technology, management skills and intangible assets in order to overcome the difficulties of doing business abroad. Knowledge spillovers occur when a firm '*cannot capture all quasi-rents due to its productive activities, or to the removal of distortions by the subsidiary's competitive pressure*' (Caves, 1974). They arise from both intended and unintended communications between economic agents and can

take place through four channels: demonstration, competition, vertical linkages and labour mobility.

Survey results have showed that there are evidence of knowledge transfer and spill-over from Chinese firms to Ghanaian firms. Brautigam, Tang and Ying (2018) and Tang (2018) find through their field work that some local firms, particularly in Ghana's plastics industry, learnt from working for or supplying Chinese firms who in some cases also sold them the machinery to help them circumvent entry barriers. However, most industrial supplies like steel, polyvinyl chloride and pulp generate limited backward linkages and the supply chain is short (Tang, 2018). This would have much to do with the absence of local networks of quality suppliers. Additionally, the literature has argued that spillovers from JVs may be higher than that from WOS (Konwar, McDonald, Wang, & Wei, 2015). As noted above WOS is the main entry mode, this limits the avenues through which knowledge spillovers can take place.

Conclusion and Recommendations

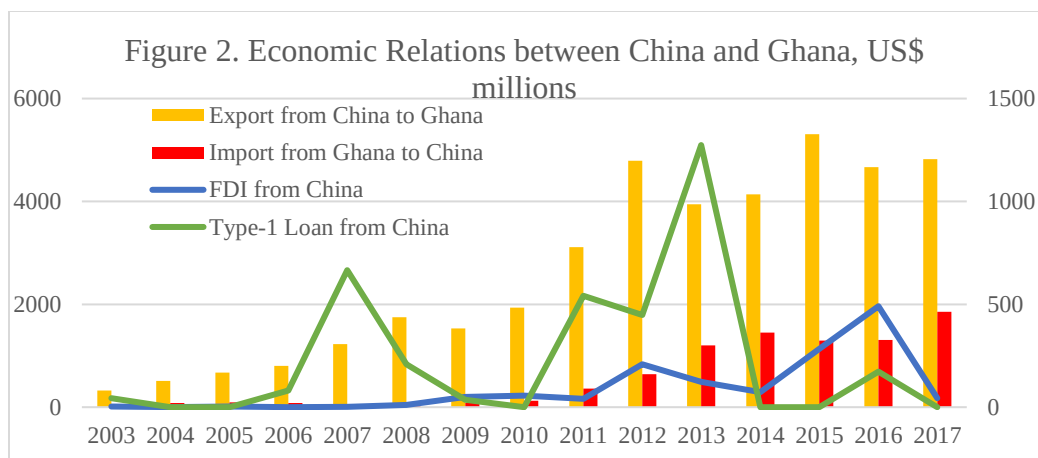
China has become a major investor in Africa. Nevertheless, it is important to note, though China is important to Africa, Africa only accounts for a very small share of China's total FDI, less than 10% even at the best of year of 2008 (Figure 1). It has been expected that, with the improved performance of most African economies, enhanced China-Africa co-operation mechanisms and the sluggish economy in the developed world, Chinese investors may expand the scale of FDI in Africa. China's upward FDI in Ghana is very much against the background of the general increased interests of Chinese MNEs in the continent. Ghana has identified FDI as a keyway to transform its economic development. China looks on to offer Ghana a new model for development alternative to the western style that depends on commercial relations and fair market as prescribed by the Bretton Wood institutions (World Bank and IFM) which for some reasons are not working world for African countries. China represents an opportunity for Ghana to diversify economic partnership alongside their relationships with traditional partners such as the US and the EU. The economic cooperation between the two countries has intensified including in the area of FDI. However, there is a need to understand the extent, nature and impact of China's FDI in Ghana, so as to better take advantage of the investment.

Appendix 1: Brief Historical Perspective of Bilateral Relations between Ghana and China

China and Ghana have a long, albeit erratic, bilateral relationship, starting from the official establishment of diplomatic relations on July 5, 1960. Although China's economic role in Ghana has only become significant in the last two decades, China has been in the background of Ghana's geopolitics (Odoom, 2017) and Ghana has provided substantial diplomatic support to China at times when China faced international isolation or criticism including the early years of the founding of the People's Republic of China (PRC), during the Sino-Indian War in the 1960s and immediately after the Tiananmen Square affair in 1989.

In the 1950s and 1960s, the first post-colonial government in Sub-Saharan Africa (SSA) – the Kwame Nkrumah government of Ghana – and the Communist Party of China were allies. In 1961, a ten-year friendship treaty was concluded and a twenty-year agreement on economic and technical cooperation and a five-year trade and payment agreement were signed between the two countries. The economic association was significant in monetary terms with the long-term economic and technical agreement worthy of US\$ 19.6 million and the trade and payment agreement stipulated annual credits by both parties of US\$ 11.2 million each way (Prybyla, 1964). Politically, Nkrumah waged a campaign in the United Nations General Assembly for the re-instatement of PRC as the legitimate government of China (Nkrumah, 1965). Then in 1966, the Nkrumah government was toppled in a coup at a time when Nkrumah was on official diplomatic visit to China. After Nkrumah's overthrow, China withdrew aid workers, military advisors and embassy officials from Ghana and closed its embassy, signalling the deterioration of the bilateral relation in the subsequent years. In February 1972, the bilateral relation resumed (Odoom, 2017) and the Chinese embassy was reopened.

Following China's economic reforms in the late 1970s, the Sino-Ghana relationship gradually moved from political to economic engagement (Idun-Arkhurst, 2008). Nevertheless, it is worth mentioning the political event of Tiananmen Square affair in 1989. Facing international criticism, the first support that China received was from Ghana, under the military government of Jerry Rawlings (Agyeman-Duah, 2008). In the 1990s, China offered a grant of US\$ 2.4 million for the renovation of Ghana's National Theatre, which is often seen as China's reward to Ghana (Idun-Arkhurst, 2008). But mostly, during post-reform period, China has been focusing on economic cooperation with Ghana through aid and trade, in addition to FDI. As shown in Figure 2, over 15-year period of 2003-2017, China's aid was higher than FDI in 7 years. Indeed, in terms of economic size, trade is the most important form of economic cooperation between China and Ghana.

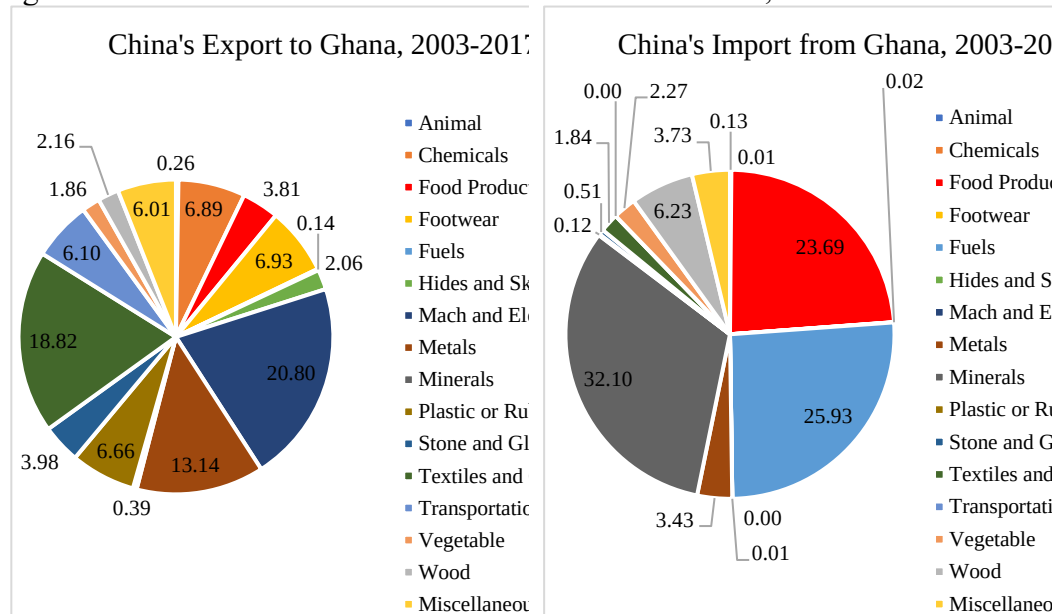


Notes: Export and import figures follow the left y-axis. FDI and loan figures follow the right y-axis. Sources: Export and import data from World Integrated Trade Solution, World Bank (<https://wits.worldbank.org/>). FDI data from UNCTAD Bilateral FDI Statistics (<http://unctad.org/en/Pages/DIAE/FDI%20Statistics/FDI-Statistics-Bilateral.aspx>) and Statistical Bulletin of China's Outward Foreign Direct Investment, various years (<http://www.stats.gov.cn/english/statisticaldata/AnnualData/>). Aid data from China Africa Research Initiative (www.sais-cari.org/s/Upload_LoanData_v11_October2018.xlsx).

Chinese aid is largely provided by the government or relied on the official channel, instead of the NGO channels as in the case of western donors (Atkins et al., 2017; Liu & Tang, 2018). Broadly speaking, there are two types of Chinese aid. The first one is interest-free loans and grants, typically controlled at the highest level by State Council and only offered by Chinese Ministry of Commerce (MOFCOM). They account for a very small proportion of China's aid now, although were the main form in the 1960s and 1970s. The second type consists of concessional loans, subsidized (preferential) export buyer's credits and supplier's credit, typically supported by the Export-Import Bank of China (Exim bank) or China Development Bank (CDB). A majority of Chinese loans to Ghana takes this form. Between 2000-2015, out of US\$ 3.18 billion loans that Ghana received, just under 95% belonged to this category (Atkins, Brautigam, Chen, & Hwang, 2017). Over 80% of China's aid in Ghana was in infrastructure including power, water, transport and communication including US\$ 2 billion for oil and gas projects in 2010.

As for trade, China is one of Ghana's biggest trading partners. Trade between the two countries grew exponentially until 2012 with an average annual growth rate of 40.78% between 2003-2012. The growth rate has since slowed down, particularly for export from China to Ghana (averaged 1.37% between 2013-2017), but China's import from Ghana still enjoyed healthy growth (averaged 27.89% between 2013-2017). Nevertheless, Ghana still runs a large trade deficit with China. China mostly exports consumer goods to and imports raw materials from Ghana. The leading three exporting sectors are machinery and electronics (20.80%), textile and clothing (18.82%) and metals (13.14%). The leading three importing sectors are Minerals (32.10%), Fuels (25.93%) and Food (23.69%).

Figure 3. Sectoral Distribution of China's Trade with Ghana, 2003-2017



Source: World Integrated Trade Solutions (wits.worldbank.org)

Beyond economic cooperation, the two countries have also a long history of human flows. The first significant wave of Chinese in Ghana can be dated to the late 1940s and early 1950s and they were mostly Cantonese (Ho, 2008). Some of these Cantonese Chinese invested in manufacturing industries including textile, imitation wax print and metalwork and many worked for them. One of Ghana's first Chinese factories was formed in Takoradi, producing household enamelware such as pots, pans and other cooking utensils. The second major wave started in the late 1990s, and they were mostly from mainland China and engaged in trade and investment. For example, as one of the largest Chinese investor in Ghana, Huawei was reported to employ about 500 Chinese in Ghana in 2013 (Wang & Elliot, 2014). The estimated number of Chinese in Ghana was about 6000 in 2004 (Mohan, 2008). There is no statistics about the number of Ghanaians in China, but FT reported that an estimated 6,500 Ghanaians are studying in China⁴.

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⁴ FT article Ghana relations with China raise the emotional heat by David Pilling on October 8, 2018

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CHAPTER 4

INSTITUTIONAL QUALITY AND INCLUSIVE GROWTH IN AFRICA: THE ROLE OF PRODUCTIVE EMPLOYMENT

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Abstract

This study investigated the effects of institutional quality on inclusive growth via the channel of productive employment in Africa. The World Bank Development Indicators (WDI), International Country Risk Guide (ICRG), and Heritage Foundation longitudinal panel data covering the years 2000–2023 were analysed using the System Generalised Method of Moment (SGMM). The results showed that the creation of productive jobs on the African continent is positively and significantly impacted by institutional quality. This demonstrates how strong and efficient institutions—characterized by safe property rights, adherence to the rule of law, low risk of expropriation, and low levels of corruption—are crucial for inclusive growth and creating productive jobs for Africa's growing youth population. As a result of the findings, this study emphasises the need of prioritising institutional quality reforms in Africa to achieve inclusive growth through the creation of productive employment that allow broad section of the population to earn an income and improve their living conditions. It recommends strong institutional reforms to reduce corruption and maintain the rule of law.

Key words: productive employment, institutional quality, inclusive growth, Africa.

Introduction

Economic growth (GDP) has increased significantly around the world, and in Africa in particular, notably since the beginning of the new millennium. However, this GDP increase does not result in higher living standards for the populace, and this awareness is altering the global development agenda. Therefore, poverty and inequality have not decreased despite this significant expansion, suggesting that the surge in growth has not had a knock-on impact on the standard of living of the populace (Kamah, Riti, & Bin, 2021). Because of this, academics and policymakers have re-examined and refocused their attention from the traditional GDP measure to a form of growth that guarantees a fair distribution of economic growth throughout the wide range of society; this is known as inclusive growth (Kamah et al., 2021; Adeleye et al., 2023). Furthermore, the problems of rising poverty and inequality have continued even though the GDP of the majority of African nations

has increased significantly. Africa is therefore experiencing poverty, inequality, and economic growth all at the same time, which is in contradiction to economic theory (Greenwald & Stiglitz 2013; Duombia, 2018).

Accordingly, all facets of the population take part in and benefit from economic prosperity under the inclusive growth paradigm. Through equitable distribution of the advantages of growth, it seeks to reduce poverty and inequality. Since institutional quality determines who may participate in and profit from the economy, it is critical to achieving this goal. Thus, inclusive growth is a multidimensional concept, that focusses on raising living standards, improved well-being and equity in sharing the benefits of economic prosperity evenly among different social groups through economic growth and structural change, generation of productive employment, development of human capability to capitalize on growth-related opportunities, reduction in absolute poverty and income inequalities (Yaru et al. 2018). Thus, for the purpose of this study, we are focusing on how the generation of productive employment in an environment of sound institutional quality can enhance income of the teeming youthful Africa's population and engender inclusive growth in the continent.

Empirical evidence indicates that by fostering an atmosphere that encourages investment, economic activity, and the development of human capital, institutional quality significantly affects the generation of productive employment and inclusive growth in Africa. It outlines the basic "rules of the game" that either support or impede inclusive growth via generation of productive employment. Given that, strong institutions uphold contracts, safeguard property rights, control corruption, lower the risk of expropriation and lessen bureaucratic uncertainty, they are essential for businesses to thrive, draw in investment, and generate employment (Acemoglu et al., 2005; Rodrik et al., 2006). The term "productive employment" describes jobs that are not only accessible but also advantageous to the economy and the well-being of individuals. This is distinct from "jobless growth," which occurs when the economy grows but does not generate enough productive jobs. In this sense, institutional quality is significant through a variety of channels. First, businesses in Africa are more inclined to expand, hire more staff, and engage in long-term initiatives when they have contracts and property rights that are safe. Weak property rights and lax enforcement of contracts can discourage investors in many nations. Second, enterprises, particularly SMEs, can benefit from the reduction of red tape and corruption as it lowers transaction costs. Third, stimulating innovation and competition results in more diverse and productive jobs by ensuring that all businesses operate on an even playing field. Fourth, a stable political environment with effective governance and a strong legal framework (rule of law) secures long-term planning and investment, ensuring that growth benefits all. Finally, a stable political climate with good governance and a robust legal framework that minimises the risk of expropriation is critical for encouraging

economic growth and protecting company assets and investments (Szirmai, et. al, 2013; Marelli & Signorelli, 2010).

Institutional choice is thus crucial to national success in terms of generation of productive employment, inclusiveness, economic prosperity, and inclusive growth. The top 10 nations with strong institutional quality indices are the United Kingdom, France, Belgium, New Zealand, Australia, the United States, Germany, Hong Kong, Singapore, and the Netherlands, with GDP per capita ranging from \$15,892 to \$43,600 in 2018. Congo DR, Haiti, Niger, Sudan, Nepal, Burundi, Vietnam, Nigeria, Chad, and Malawi are among the 10 poorest nations characterised by weak institutions. High-income nations in North America and Western Europe with strong institutions have an average real per capita income of \$43.18 per day, compared to low-income countries in Sub-Saharan Africa, the Middle East, North Africa, and Latin America with an average PPP of \$1.91. In 2023, Africa's institutional quality and public sector management average is 3.0, putting it below other regions in terms of protecting property rights (World Bank, Development Indicators, 2024).

Therefore, this study which seeks to examine the effect of institutional quality on inclusive growth in Africa through generation of productive employment, is unique and varies from previous empirical research in a number of ways. First, in contrast to the research of Kumeka et al. (2023); Adeosun et al. (2023); Munir et al. (2022); Agyei & Idan (2022), Olanrewaju et al. (2020), and numerous other empirical works that concentrate on variables that only take into account political institutions, this study disaggregatedly analyses both political and economic institutions in order to see how each affects inclusive growth on the continent through the creation of productive employment. Thus, by disaggregating institutional quality, policymakers will be better equipped to make precise policy suggestions. Finally, the currently available empirical studies do not provide systematic assessments of each institutional quality indicator's relative effects on productive employment in developing countries, particularly in Africa. This study closed this gap by categorising African countries as low-income (LI), lower middle-income (LMI), or upper-income (UMI), and investigated the effect of institutional quality on inclusive growth through productive employment. The categorization of African countries is intended to allow the study to give precise recommendations based on a particular income category. This study is constructed as follows: The rest of the paper provides a review of the literature, while the third section describes the data and methods. Section four includes the results, as well as a discussion and analysis of the empirical data. The last section of the report provides specific policy suggestions.

Literature Review

Conceptual Clarifications

Institutions

North (1990) defined institutions as "the rules of the game in a society or, more technically, the human-created restrictions that influence human interaction." Consequently, they shape incentives in human transaction, whether political, social, or economic". This implies that institutions reflect how individuals who live in a community and have power over their resources choose to structure themselves for economic activity. Therefore, institutions are a collection of structures, long-term patterns of conduct, and norms that are driven and supported by broad social ideals, governed by specific rules, and operationalised by organisations. This system will ensure who receives income, earnings, and residual control rights while also educating people on how resources are distributed. In summary, Acemoglu et al. (2005) pointed out that civilisations would thrive if they have institutions that support innovation, factor accumulation, and resource allocation.

According to King (1976), institutions are repetitive patterns of interaction that enable society to perform specific roles. This means that institutions reflect long-term sets of behavioural rules that serve socially valued goals, or a collection of rules that assist harmonisation by enabling expectations to develop. This means that institutions contain conventions, regulations, and laws that define the "rules of the game," condition and influence the behaviour of people and groups, and make their actions more predictable to others. This is accomplished by both formal standards, such as laws and contracts, and informal mechanisms, such as social norms and customs that develop over time. Here, the word "institution" is used very differently from when it is used interchangeably with "organisation" (Wiggins & Davis, 2006).

Institutional Quality

The concept of institutional quality in this study adopted a conceptual framework designed by Rodrik (2005) and later adopted by Bhattacharyya, (2009), Lam, (2010) and Dakwal & Garba-Paiko, (2024). Rodrik (2005) defined high institutional quality as the successful implementation of first-order economic concepts such as secure property rights, contract enforcement, market-based competition, suitable incentives, sound money, and debt sustainability. Rodrik (2005) asserted that a strong political body is essential to create property rights and enforce contracts for its own benefit. It is important to study political and economic institutions together because they collectively provide the "right balance between chaos and dictatorship." He used the term "market-sustaining institutions" to expand on this idea. Cross-country economic convergence with the degree of development observed in the developed world is anticipated to be facilitated by these institutional arrangements. "Market-creating," "market-regulating," "market-stabilizing," and "market-legitimizing" are the four main categories into which Rodrik's taxonomy separates market-sustaining institutions.

Furthermore, Rodrik's (2005) taxonomy argued for large market-regulating institutions. This is important to reduce market power abuse, internalise externalities, address knowledge asymmetries, create product and safety standards, and so on. Similarly, countries require monetary, fiscal, and other stabilisation measures to deal with business cycles. Finally, democratic governance, as expressed in Rodrik's (2005) ideas, is regarded as market-legitimizing institutions for the realisation and security of market results via social safety and insurance. Even if the political regime's role may not be directly related to development, it may be viewed as the institutional framework that, after economic progress is attained, gives market players the incentives they need to satisfy their development objectives.

Good institutional quality lowers transaction costs because strong institutions can supply quality services that are critical to boosting citizen welfare and promoting inclusive growth. As a result, the idea of institutional quality refers to good or strong institutions that are inclusive in nature and encourage public engagement in government and economic activity. It ensures property rights protection, contract enforcement, an impartial legal system, and fair economic possibilities for all members of society, not just a few elites (Acemoglu & Robinson, 2013). This is due to the fact that quality institutions foster effectiveness in governance, adherence to rule of law, improve economic activity, productivity growth, enhanced economic prosperity and inclusive growth. For the most part, this categorisation describes and fosters cooperation between political and economic institutions and policies. Thus, this enables us to examine political and economic structures together inside a single framework. This taxonomy serves as the foundation for the understanding and grouping of institutions in this study.

Inclusive Growth

The conceptualization of inclusive growth is due to the fact that increased economic growth has been witnessed in most parts of the world and yet less has been seen in terms of reducing poverty especially in African countries. Though the idea of inclusive growth is difficult to define operationally, its potential to contribute to the eradication of poverty and inequality in all forms across the world, as well as the enhancement of social welfare, justifies the recent attention it has received (Ramos et al., 2013).

According to the Organisation for Economic Co-operation and Development (OECD) (2014), inclusive growth is defined as economic growth that generates opportunities for all facets of society and equitably distributes the financial and non-financial benefits of greater prosperity. This implies that the main goal of inclusive growth is growth for everyone. In a similar vein, Anand et al. (2013) combined growth and equity into a single paradigm by defining inclusive growth as the rate and distribution of economic prosperity. According to Fawowe & Folarin (2018), inclusive growth encompasses both the rate and the distribution of economic expansion. According to this perspective, both the production level and the income distribution must increase for growth to be

inclusive. Therefore, inclusive growth necessitates raising both the output level and the income distribution among a large number of society's basic members.

The OECD, (2014) definition is adopted as the operational concept of inclusive growth in this thesis. This is because, this definition captured both monetary and non-monetary aspect of economic prosperity which are critical for growth if evenly and fairly distributed. The monetary aspect has to do with income wealth distribution beyond subsistence level while the non-monetary dimension has to do with even provision and distribution of social overhead capitals, especially investments in health and education which are the major drivers in enhancing economic growth and people's well-being in the society.

Theoretical Review

This study uses the Solow - Swan (1956) growth theory. The premise is that the main forces behind inclusive growth are savings and capital accumulation. With technology viewed as an external input in the production process, the theory examines two production functions that highlight the importance of labour and capital (which may be substituted for one another) in determining output. As technology advances, it is possible to increase production per worker (y) without raising capital per worker (k). Thus, technological advancement can be viewed as an increase in effective labour per worker, where effective labour is defined as $EF = T \times L$.

where;

EF = effective labour

T = level of technology and efficiency of labour

L = labour supply

This modifies the production function in equation 2.8 to become;

$$Y = F(K, T \times L) \quad \dots\dots\dots (2.18)$$

Even if the total labour supply (L) is constant, the effective labour supply ($T \times L$) can be increasing with improved technology (this is the effect of institutional quality). The rate of technological change can be considered increments to effective labour and k now equals the capital per effective labour unit:

$$k = \frac{K}{T \times L} \quad \dots\dots\dots (2.19)$$

Therefore, applying the institutional variables into the Solow – Swan (1956) model will require imposition of institutional quality on how it can affect technology. David (1997), for example, describes how the deployment of technology is hindered by "social capability." Because of this, the rate of technical advancement is now subject to variations in institutional quality among nations rather than being constant. Thus, adjustments that ignore the function of initial technological efficiency (owing to institutions) may overstate the importance of investment in inclusive growth. This will in turn affect the efficiency of investment. Lastly, in many developing countries,

particularly in Africa, production cannot begin until certain threshold levels of infrastructure, property rights, human capital, and gross capital formation—all of which are sensitive to institutional qualities—are met. The presence of these thresholds suggests that the continuous returns to scale assumption may not hold true. Therefore, including country-specific institutional factors may have an effect on estimating how sensitive production is to both human and physical capital.

Review of Empirical Literature

Kumeka, Raifu, and Adeniyi (2023) used data from 45 African countries for the period spanning from 1996–2018 to estimate the relationship between globalization and inclusive growth in Africa while accounting for the modulating role of institutional quality. They used panel cointegration and cointegrating regression to determine the association between inclusive growth, globalization, and institutional quality. The study used long-run panel cointegrating techniques, dynamic ordinary least squares (DOLS), and fully modified ordinary least squares (FMOLS) for estimates. The results showed that inclusive growth is positively and significantly impacted by globalisation in its many forms, including economic, social, and political. The study found that while globalisation and institutional quality have a positive association, institutional quality has a negative effect on inclusive growth in Africa. To solve the endogeneity problems that this study will address, panel FMOLS and DOLS are ineffective.

Adeosun, Ayodele, Tabash, and Anagrey (2023) investigated the connection between inclusive growth, institutions, and tax resource mobilisation (TRM) using panel data from 48 African countries. The spatial Durbin-fixed effect model was used in this work. Despite their economic advantages, property taxes have not greatly accelerated inclusive growth in Africa, according to the analysis, which raises the possibility that they could be used as a source of income. The findings provided additional proof that each of Africa's institutional proxies prevented the continent from experiencing inclusive growth. According to the study, Africa's institutional exclusivity and weak governance structures impede inclusive economic growth, and the region's current tax administration systems make tax reduction management implementation difficult. To maximize Africa's tax potential and promote inclusive growth, the study recommended improving governance institutions.

Munir, Ambreen, and Iftikhar (2022) conducted an empirical study in 86 countries to ascertain the relationship between inclusive growth and institutional quality. The study employed a fixed effect estimator to evaluate unbalanced panel data for 86 countries between 1996 and 2015. The results showed that achieving inclusive growth depends significantly on institutional quality. Economic and political institution quality also has a favourable impact on inclusive growth. According to the study, inclusive growth can be achieved in low-income and lower-income nations by expanding possibilities, but in middle- and high-income economies, equity prospects must be enhanced through stronger institutions, the rule of law, and governance. This study added to the body of knowledge on the relationship between growth inclusiveness and institutional quality

by emphasizing the function of institutional quality. The use of fixed effects in this study has the disadvantage that it is not robust enough to deal with the endogeneity and reverse causality problems that emerge with panel data. This will be fixed by the present.

Agyei and Idan (2022) looked at how institutions in Sub-Saharan Africa (SSA) mediate the relationship between inclusive growth and trade openness. Applying the System Generalised Method of Moment (GMM) estimation approach to data from 39 SSA countries between 1996 and 2017, the results supported the notion that institutions enhance the favourable relationship between trade openness and inclusive development in SSA. The role of strong institutions in improving trade openness and inclusive growth is highlighted in this study, emphasizing the need to improve institutional quality and clarify uncertainties in this relationship. The study's drawbacks include employing political institution variables alone to indicate institutional quality rather than economic ones, and using an arithmetic mean technique rather than principal component analysis for an inclusive growth index. This is because the arithmetic mean approach has an inherent weakness whereby extreme values have a significant impact on the arithmetic mean and whereby using the arithmetic mean is inappropriate because it will not be able to accurately average the variables when creating an index where the variables involved are measured in different units. This study will address each of these shortcomings.

Vitenu-Sackey (2022) conducted a thorough investigation of the relationship between financial development, inclusive growth, and economic freedom. The study examined panel data from 72 developing countries between 2009 and 2017. This was in addition to the linear dynamic panel GMM-IV estimator and linear regression using panel corrected standard errors (PCSE). The findings of this study demonstrated that the three major factors that lead to inclusive growth are capital stock, financial development, and economic freedom. Growth that is inclusive also increases economic freedom, which helps the economy financially. Property rights, government spending, monetary freedom, and financial freedom all have a favourable impact on financial development whereas tax load and investment freedom have the opposite effect. Achieving equitable growth and financial development requires governments to protect property rights and enforce the rule of law. The use of GDP per capita as a proxy for inclusive growth places limitations on this research, as it has on previous ones.

Suhaibu, Andani, and Anafo (2022) used data from 20 Sub-Saharan African (SSA) nations from 2000 to 2019 to assess the influence of institutional quality on people's living standards using a VAR framework model. Results from the prediction error variance decomposition estimates and impulse response functions showed that Institutional Quality indirectly affects Living Standards through its influence on financial development, rather than directly. As the prediction prospect evolves from 1 to 5 forecast periods, Institutional Quality accounts for about 7.13% of FDI shocks, FDI explains approximately 0.55% of Living Standard, and Living Standard accounts

for approximately 1.13% of FDI shocks. Finally, FDI affects living standards through institutional quality. According to the findings of this study, FDI optimizes inflation and raises living standards whereas inflation slows FDI in the short term. It is proposed that the government of SSA enact laws and programs that would strengthen institutions and raise the living standards of its citizens. Despite the study's drawback of utilizing political institutions as a proxy for institutional quality, its findings serve as the foundation for comprehending the problems addressed in this research.

Kamah et al. (2021) investigated the relationship between inclusive growth and environmental sustainability in Sub-Saharan Africa via the regulating role of institutional quality. This study used the systems generalized method of moment (Sys-GMM) estimator for its analysis and found that, institutional quality plays a crucial influence in boosting inclusive growth-environmental sustainability. Environmental degradation and inclusive growth have a non-linear relationship, with environmental quality improving as inclusive growth grows later in the relationship. The study recommended that, policymakers in Sub-Saharan Africa should support equitable growth while maintaining sustainability, and institutional quality can effectively reduce environmental externalities associated with inclusive growth. While the study is constrained by its focus on political institutions as proxy for institutional quality, it gives useful insights into the institutional quality nexus and serves as a foundation for developing an inclusive growth model in this study.

Omoke & Opuala-Charles (2021) explored the relationship between trade openness and economic growth in Nigeria via institutional quality. The study, which covered the years 1984–2017, looked into cointegration between the variables using the ARDL bound testing technique. The findings demonstrated a sustained correlation between the factors. According to the findings, import commerce has a large negative influence on economic growth whereas export trade has a big positive impact. The findings also showed that when institutional quality increases, the detrimental long-term consequences of import trade on economic growth in Nigeria diminish. Although this study is pertinent to the current study because it offers a theoretical understanding of the role of institutional quality in growth, it is constrained in two important ways. First, the study's main focus was on the impact of trade openness on economic growth, with a particular emphasis on the role of import and export, whereas the current study is not concerned with this issue. Second although the study acknowledged the relevance of economic institutional integrity in encouraging growth, it barely discussed how it affected economic growth.

Wandeda et al. (2021) employed systems GMM to examine the influence of institutional quality on economic growth in Sub-Saharan African (SSA) countries between 2006 and 2018. The outcome showed that improving institutional quality has a favourable and significant impact on the economic production of SSA countries. Additionally, the findings demonstrated that the effect of institutional quality on economic growth varies with the location of SSA countries. For example, institutional

characteristics in the West African area are more effective in fostering economic growth than those in the other three regions of Eastern, South, and Central Africa. Similarly, the findings demonstrated that the impact of institutional quality on production growth differs depending on the wealth levels of SSA countries. The economic performance of low income SSA economies is more likely to improve with an improvement in institutional quality than middle income SSA nations.

Zhao et al. (2021) examined the effects of political and economic institutional reforms on macroeconomic variables in 122 developing countries from 1996 to 2019. The study's conclusions showed that in order to expand economies, economic reforms are more crucial than political reforms. The nations that put their emphasis on political reform are unable to get out of the economic crisis. Furthermore, neither style of reform influences the other in these nations. The empirical knowledge of which changes are essential in fostering growth and investment in developing nations, including those in Africa, is what determines the relevance of this study. This study's shortcoming is the use of treatment analysis utilizing the difference-in-differences technique to evaluate the effects of reforms that is not robust enough to handle the issues present in panel data.

Ntow-Gyamfi et al. (2020) examined the connection between financial development and inclusive growth in Africa through the institutional quality's regulatory environment. The system generalize method of moment (Sys-GMM) estimator was used in the study to estimate the dynamic relationship between financial development and inclusive growth using a 27-year panel data set from 48 African countries. The results showed that there is no linear relationship between finance and inclusive growth. The findings also indicated a favourable and significant association between inclusive growth and financial development. Therefore, it is recommended that adequate institutional arrangements be made to ensure that the activities of participants in the financial sector are regulated to achieve inclusive growth. This study is important because it considers inclusive growth while examining the connection between institutional quality and finance. Despite focusing on the institution-growth nexus, the study did not examine the point at which the relationship between institutions and inclusive growth shifts, particularly in the unreliable African economy.

Yinusa et al. (2020) examined how inclusive growth, financial development, and institutional quality interacted in Nigeria between 1984 and 2017. The study employed an asymmetric cointegration technique to investigate the long-term correlations between the variables, and the results showed a long-term association between inclusive growth, financial development, and institutional quality in Nigeria. In Nigeria, institutional quality, financial development, and inclusive growth were found to have a symmetric and asymmetric relationship, with adjustments to equilibrium being asymmetric. In order to tackle corruption and insurgency, the study suggests that institutions need to be strengthened. It also emphasizes how important financial development and institutional quality are to Nigeria's inclusive growth. In addition to

being country-specific, using GDP per person employed as a stand-in for inclusive growth has limitations. Equity and fairness, which are essential elements of inclusive growth, are not taken into consideration by GDP per person employed.

Adegboye et al. (2020) looked at the effects of institutional quality on foreign direct investment and economic development. The fixed and random effect regression model was used in the study to evaluate the impact of foreign capital on economic development while taking institutional quality for developing SSA into account. The study used pooled data for 30 SSA nations for the years 2000 to 2018 and utilized this approach. The research revealed that the SSA's economic development depends critically on foreign capital inflow, which is a function of institutional quality. But a lack of institutional quality, as seen by a lack of accountability and political instability, impedes economic growth by frightening away investors from the region. The study's technique is not strong enough to effectively address the endogeneity and multicollinearity issues that are related to panel data and lead to erroneous estimation results. However, the study is still important today since it has shed light on the relationship between institutional quality and growth, which is one of the problems it seeks to address in this study.

Olanrewaju et al. (2020) conducted an experimental study in Nigeria to evaluate the relationships between institutional quality and inclusive growth. An Autoregressive Distributed Lag (ARDL) Bounds approach was used to show cointegration utilising annual secondary time series data from 1998 to 2017. The study found that real GDP per employed person, a measure of inclusive growth, positively and significantly correlates with institutional quality in Nigeria. Because it creates equitable economic possibilities for a diverse population, institutional quality is crucial for inclusive growth in Nigeria. It is essential for utilizing both human and natural resources for widespread development. The report recommends a labour-intensive development strategy that incorporates impoverished and active households for inclusive value-chain growth. It offers a conceptual framework for analysing institutional governance in the context of sustainable growth. Its conclusions, however, are country-specific, and the GDP per employed person falls short of representing inclusive growth components.

Data and Methodology

Secondary longitudinal data from the World Bank Development Indicators, International Country Risk Guide (ICRG), and Heritage Foundation from 2000 to 2023 served as the basis for the empirical analysis of this study. A cross-country sample of 37 African countries was subjected to a balanced panel data structure using the System Generalised Method of Moment (Sys GMM) panel data model framework. Although African nations have high rates of non-inclusive growth, including low rates of education enrolment, poverty and inequality, and relatively poor health care delivery, the continent seems to have a relatively high level of mobile technology adoption and utilisation, which is one of the factors that led to the continent's selection for this study (WDI 2022). Table 1, which was created

using the PCA, shows the dimensions, elements, and metrics of productive employment that are used in this study. Additionally, Table 2 displayed the characteristics related to institutional quality.

Table 1: Inclusive Growth Index

Category	Name of Indicators	Meaning	Scale
Generation of Productive Employment	i. GDP per capita of the employed (at 2021 constant USD).	GDP per person employed is computed by dividing GDP by total employment and converting purchasing power parity GDP to 2021 constant international dollars.	1000 – 5000
	ii. Total employment to population ratio.	Employment to population ratio is the proportion of a country's population that is employed.	0.3 – 0.5

Source: World Development Indicators, (2024).

Table 2: Description of Institutional Quality Variables

Indicator	Meaning	Scale	Source/Date
Property Rights	Legal ownership of resources secured by law and enforced by the state.	0 - 100	Heritage Foundations (2024)
Risk of Expropriation	The possibility of the government forcibly acquiring privately owned property without adequate compensation.	0 -10	ICRG (2024).
Corruption	Dishonest or fraudulent conduct by those in power typically involving bribery	0 - 6	ICRG (2024).
Rule of Law	The restriction of the arbitrary exercise of Power by subordinating it to well defined and established laws.	0 - 6	ICRG (2024)
Bureaucratic Quality	The neutrality with which public servants implement laws, policies, and programs.	0 – 6	ICRG (2024).

Note: Higher values indicate better quality and vice-versa.

The empirical modelling in this work uses the System Generalised Method of Moments (SGMM) to assess the effect of institutional quality on inclusive growth through productive employment in Africa between 2000 and 2023. The SGMM estimator was developed by Arellano and Bond (1991) through the first difference transformation of the level model. This allowed for the capture of these dynamic relationships and the resolution of common issues with heteroscedasticity and endogeneity that are inherent in panel studies and frequently cause the OLS estimates to be biased and inconsistent (Roodman, 2009). As a flexible estimation method that can handle non-stationary data, eliminate endogeneity issues, and require no data stationarity, the SGMM technique also has the advantage of not

requiring pre-estimation tests like the panel unit root test and cross-sectional dependence test. To determine parameters and get rid of endogeneity, it makes use of instrumental variables (IVs). In panel data situations, data may be rendered stationary via first-differencing (Adeleye et al., 2017 and Batuo, 2015). In a similar vein, the two-step SGMM estimator uses a lot of internal instruments to address heteroscedasticity, endogeneity, and finite sample bias better than the first-differenced GMM estimator. These factors led to the selection of the two-step SGMM for this study.

Model Specification

The model estimate for the effect of institutional quality on productive employment in the chosen African nations is based on the Solow-Swan (1956) growth theory. With technology viewed as an external input in the production process, the theory examines two production functions that highlight the importance of labour and capital (which may be replaced for one another) in determining output. While capital per worker (k) stays constant, production per worker (y) might increase as technology advances. Therefore, in accordance with Agyei and Idan's (2022) research, the simplified dynamic panel data model that has to be estimated is as follows:

$$y_{i,t} = \alpha y_{i,t-1} + \beta' X_{i,t} + \gamma' C_{i,t} + \eta_i + \varepsilon_{i,t} \dots\dots\dots (3.1)$$

Where $y_{i,t}$ is the natural logarithm of Productive Employment (PE) and is the dependent variable for cross-sectional unit i in period t ; $X_{i,t}$ is a vector of proxies that represents the independent variable (institutional quality) observed for nation i in period t . The control variables are C_i and t . Likewise, i indicates the nation ($i = 1, 2, \dots, 37$) and t indicates the time frame ($t = 2000-2023$). According to our assumptions, $\varepsilon_{i,t}$, the idiosyncratic disturbance term unique to country i during period t , is independent and uniformly distributed throughout all time periods in country i , and η_i , the i -th unobservable time-invariant country-specific effects, is independent and uniformly distributed throughout country i and $\varepsilon_{i,t}$. When testing the convergence effect hypothesis with $|\alpha| < 1$, the initial (lagged) productive employment (PE) index's natural logarithm, $y_{i,t-1}$, reflects the starting conditions. Estimating α , β' , and γ' is necessary to prove stationarity. As a result, equation (3.1) can be more explicitly expressed as follows.

$$PE_{i,t} = \alpha PE_{i,t-1} + \beta' InsQ_{i,t} + \gamma' C_{i,t} + \eta_i + \varepsilon_{i,t} \dots\dots\dots (3.2)$$

Where, PE = productive employment, $InsQ$ = institutional quality. Accordingly, equation (3.2) can be overtly stated as;

$$PE_{i,t} = \alpha + \beta_1 PE_{i,t-1} + \beta_2 InsQ_{i,t} + \beta_3' C_{i,t} + \varepsilon_{i,t} \dots\dots\dots (3.3)$$

Introducing the specific variables that represents institutional quality, equation 3.3 will be re written explicitly as;

$$PE_{it} = \alpha + \beta_1 PE_{i,t-1} + \beta_2 PR_{i,t} + \beta_3 RoE_{i,t} + \beta_4 CR_{i,t} + \beta_5 RoL_{i,t} + \varepsilon_{i,t} \dots\dots\dots (3.4)$$

Where, PR = Property Right, RoE = Risk of Expropriation, CR = Corruption, and RoL = Rule of Law. Meanwhile, the lagged value of productive employment is introduced in equation (3.4) to capture the effects of persistence of growth. Equation (3.5) contains the five indicators of institutional quality and the vector of control variables ('C it) which is FDI and GCF.

$$PE_{it} = \alpha + \beta_1 PE_{i,t-1} + \beta_2 PR_{i,t} + \beta_3 RoE_{i,t} + \beta_4 CR_{i,t} + \beta_5 RoL_{i,t} + \beta_6 FDI_{i,t} + \beta_7 GCF_{i,t} + \varepsilon_{i,t} \dots\dots\dots (3.5)$$

where FDI stands for foreign direct investment and GCF for gross capital formation. To account for the impacts of growth persistence, the lagged value of productive employment (PE *i, t - 1*) is added to the equations. Equation (3.5) is the baseline equation that requires estimation.

Results and Discussions

Table 4.1 presents a descriptive assessment of all the variables employed in this investigation. By spotting patterns and trends, giving inferential analysis context, and easing communication and result interpretation, it offers the intrinsic qualities of the variables employed in this study. The mean, standard deviation, maximum, minimum, kurtosis, Jaque Bera, and skewness are the descriptive statistics that are considered. The study demonstrates that the data employed are precise, comprehensive, and pertinent for drawing well-informed and significant conclusions.

Table 4.1: Descriptive Statistics

Variable	Obs.	Mean	Std. Dev.	Max.	Min.	Kurtosis	JB	Skewness
PE	786	20.418	19.466	49.599	0.750	1.323	2.579	0.396
PR	820	34.20	14.45	76.50	0.00	0.29	11.65	0.272
RoE	851	2.58	1.51	6.00	0.00	-0.45	15.90	0.261
CR	813	1.96	0.73	4.00	0.00	0.47	16.54	0.263
RoL	851	3.00	1.08	6.00	0.50	0.09	11.16	0.271
BQ	851	1.26	0.75	2.50	0.00	-0.91	54.50	-0.433
GCF	749	22.22	9.43	76.78	0.00	3.04	351.52	0.914
FDI	872	3.94	7.54	37.32	-17.29	71.73	9604.5	7.050

Source: Author's computation

Table 4.1 shows the descriptive statistics for the all the variables used in this analysis. Institutional Quality Variables, such as Property Rights (PR), Risk of Expropriation (RoE), Corruption (CR), Rule of Law (RoL), and Bureaucratic Quality (BQ), are essential indicators of the institutional environment within the selected African countries. Property Rights, with a mean score of 34.20 and a standard deviation of 14.45, suggests moderate variability in the legal ownership of resources secured by law and enforced by the state. The skewness value of 0.272 indicates a right-skewed distribution, implying that more countries tend to have higher property rights scores than lower ones. Similarly, other variables in this category like RoL with the average score of 3.00 and a standard deviation of 1.08 and BQ with mean score of 1.26 and a

standard deviation 0.75 exhibit similar distributional characteristics, with varying means, standard deviations, skewness, and kurtosis values.

Table 4.12 displays the results of Arellano and Bond (1991) System Generalised Method of Moments (GMM) model, which provides an in-depth evaluation of the effects of institutional quality on productive employment across various income groups in selected African countries.

Table 4.2: Two – Steps (Robust) SGMM Regression on the Effects of Institutional Quality on Productive Employment
Dependent Variable: Productive Employment (PE)

	(ALL)	(LI)	(LMI)	(UMI)
$PE_{i,t-1}$	1.0234*** (0.032)	0.7331** (0.020)	1.0056*** (0.041)	0.5819* (0.035)
$PR_{i,t}$	0.0063** (0.004)	0.0176* (0.026)	-0.0058* (0.002)	0.0032 (0.098)
$RoE_{i,t}$	-0.0299** (0.048)	-0.221** (0.012)	-0.0318* (0.047)	-0.161 (0.872)
$CR_{i,t}$	-0.0170** (0.016)	-0.3118 (0.326)	-0.1332* (0.023)	-0.0979*** (0.036)
$RoL_{i,t}$	-0.0698 (0.126)	-0.3014 (0.128)	-0.0077** (0.037)	-0.0683** (0.048)
$FDI_{i,t}$	0.0036** (0.007)	0.0460* (0.023)	0.0062*** (0.006)	0.0027 (0.976)
$GCF_{i,t}$	0.0085* (0.002)	-0.0013** (0.042)	0.0017* (0.018)	0.0021** (0.034)
Constant	-0.1576 (0.417)	0.7314 (0.850)	0.3418 (0.250)	2.4143 (0.345)
No of observations	546	147	311	117
No. of countries	32	12	15	5
No. of instruments	91	91	91	91
Hansen (p-value)	0.0000	0.0000	0.0000	0.0905
AR1 (p-value)	0.2619	-	0.0422	0.1980
AR2 (p-value)	0.2946	-	0.2058	-
AR3 (p-value)	0.2448	0.7949	0.6976	0.8046
Wald chi2	41452.18	7517.14	29589.36	21651.07
Chi2 (p-value)	0.0000	0.0000	0.0000	0.0000

Source: Author's computation; Dependent Variable: $PE_{i,t}$. Standard errors in parentheses

Note: *, **, *** show significance at 1%, 5% and 10% respectively

ALL = All sampled countries, LI = Low-income countries, LMI = Low middle-income countries, UMI = upper middle-income countries.

Table 4.2 shows the summary of results for the SGMM. Productive Employment has a positive and significant lag effect on present Productive Employment. This suggests that the past has a significant impact on the current year, hence past Productive Employment actions in Africa for LMI, LI, and UMI nations are good predictors of current Productive Employment.

The coefficient of Property Rights (PR) was found to be 0.0063 with p-value of 0.004. This indicates that a unit increase in property rights significantly increases generation of productive employment by 0.63 per cent in Africa for LMI, LI, and UMI countries. This means that the property right positively affects productive employment, indicating that property right is a key determinant in generation of productive employment in the continent. Though, it was negative but significant in LMI economies, it was positive in LI and UMI nations with coefficients of 0.0176 and 0.0032 with a p-values of 0.026 and 0.098 respectively. This suggests that property rights that are well-defined and upholdable permit the use of assets as loan collateral. As a result, more people and businesses have access to credit, which they may use to expand their operations, buy equipment, and fund new projects, all of which create productive employment in the continent.

The Risk of Expropriation (RoE) coefficient was determined to be -0.0299 with a p-value of 0.048. This suggests that a unit increase in the risk of expropriation will cause generation of productive employment to fall significantly by 2.99 per cent in African LMI, LI, and UMI nations. The trend is similar and consistent across all the income categories in LI, LMI and UMI economies of Africa. This suggests that when property rights are not secure, it discourages investment and generates uncertainty, which can result in reduced investment levels, greater risk premiums, and a slowdown in wealth and job creation, eventually eroding the foundations for inclusive growth.

The coefficient of Corruption (CR) was found to be -0.0170 with p-value of 0.016. This indicates that there is a negative relationship between corruption and generation of productive employment in African for LMI, LI, and UMI countries. This means that a unit increase in Corruption will cause productive employment to significantly decrease by 1.7 per cent. The effects of corruption on productive employment in LI economies is negative but insignificant but it was positive and significant with coefficients of -0.1332 and -0.0979 with p-values of 0.023 and 0.036 respectively for LMI and UMI nations. This implies that, corruption in Africa reduces the benefits of governance and exacerbates poverty and inequality by transferring public funds into private hands, undermining both foreign and domestic investments, and eroding public confidence in institutions.

The coefficient of Rule of Law (RoL) was found to be -0.0698 with p-value of 0.126. This suggests that the rule of law has a negative and minimal effect on productive employment in Africa's LMI, LI, and UMI countries. This suggests that a unit increase in the enforcement of the rule of law reduces the volume of productive employment by 6.98 percent, although the effect is not significant. This implies that the African continent lacks the kind of rule of law, which assures equality before the law, protection of individual rights, and the creation of a predictable legal framework for economic activity to thrive in order to generate wealth and productive employment. The trajectory is consistent across income groups, demonstrating that the required enforcement, which

would considerably improve the generation of productive employment on the African continent, is absent.

The coefficients of GCF and FDI which are the control variables were found to have positive effects on Productive Employment (PE) in Africa for LMI, LI, and UMI countries. FDI has a coefficient of 0.0036 with a p-value of 0.007. This implies a unit rise in the flow of FDI into the continent will significantly increase the generation of productive employment by 0.36 per cent. This finding underscores the critical role of foreign investments in wealth and job creation in Africa. Similarly, the coefficient of GCF was 0.0085 and a p-value of 0.002. This shows that a unit change will trigger a 0.85 per cent positive change in productive employment and this effect is significant. This suggests that increased capital formation is crucial for the continent's long-term economic growth and the creation of productive jobs. The results showed that the model is accurately defined and has a linearly excellent fit, since the F-stat p-value is less than 0.000. In addition, the AR-1 and AR-2 values demonstrated that the model is devoid of autocorrelation.

Discussions of Findings

Table 4.12 presents the findings for the main sample of selected African countries (ALL) as well as the subsamples low income (LI), lower middle income (LMI), and upper middle income (UMI) from 2000 to 2023, demonstrating the effect of institutional quality on productive employment in these countries. The coefficient for Property Rights (PR) is 0.0063 with a p-value of 0.004 which shows a positive and significant effect on productive employment in the continent. It is not different when we looked at it across the different income groups especially in LI and LMI nations. This suggests that people and companies may feel confident knowing that their assets—such as buildings, land, and intellectual property—will not be taken away or devalued without cause when property rights are upheld. Because of this security, investors are more inclined to make long-term investments, grow their companies, and innovate new technologies—all of which lead to generation of productive employment.

The coefficient for the risk of expropriation (RoE) is -0.0299 with a p-value of 0.048 which suggests that it has a negative but significant effect on productive employment in African and across the different income categories of LI, LMI and UMI nations. This suggests that the greater the risk of expropriation, the lower the rate of productive employment in Africa. This indicates that both local and foreign investors are concerned about the risk of expropriation, which is the government's seizure of private property, often without adequate compensation. Insecure property rights discourage research and development, as well as investments in human and material resources. Finally, uncertainty may undermine the foundation for inclusive growth by decreasing investment levels, raising risk premiums, and stalling the creation of wealth and generation of productive employment in Africa.

Similarly, the coefficient of corruption (CR), shows a negative and a significant effect on productive employment with a value of -0.0170 and a p-value of 0.016. This trend is the same for the different income groups especially in LMI and UMI economies. Implying that corruption and the generation of productive employment in Africa move in opposite direction. That is, higher levels of corruption in Africa frequently divert resources away from productive areas, which may not only have a negative impact on growth and the provision of basic infrastructures, but also undermines domestic and foreign investments, erodes public trust in institutions, obstructs efficient resource allocation, discourages investment, and impedes inclusive growth. These results are consistent with the findings of Dakwal & Garba-Paiko, (2024); Adeosun, et al (2023); Agyei & Idan (2022); Udah & Ayara (2014).

The coefficient of rule of law (RoL) is negative and insignificant with a value of -0.0698 and a p-value of 0.126. This is also true across all the different income categories of LI and UMI nations, except for LMI economies which has a coefficient of -0.0077 with a p-value of -0.037 meaning it is negative but significant. This implies that rule of law has a negative and insignificant influence on generation of productive employment in the continent. This means that a strong rule of law is required to protect individual rights and establish a dependable legal system for economic activities to thrive; however, in Africa, where legal systems may be influenced by colonial history, multiple legal systems, and ongoing inequalities, improving the rule of law is critical for fair and clear governance, which contributes to the creation of an environment conducive to long-term inclusive growth.

In conclusion, these findings are in line with theoretical postulation of the new institutional economics (NIE) theory, Rodrik, et. al (2006) and Acemoglu, et. al (2013) which underscore that, robust and effective institutions, characterised by secured property rights, respect to the rule of law, reduced risk of expropriation, and limited corruption, are essential drivers of productive employment and inclusive growth in Africa. In contrast, weak and dysfunctional institutions prolong inefficiencies, poor policy execution, worsen inequities, creates uncertainty for companies and investors and impedes policies that promote job creation and limit the Africa's ability to achieve significant and broad growth. Generally, the findings shows that institutional quality on the overall has a significant effect on the generation of productive employment in the continent and these align with the findings of Adegboye, et al (2020), Kane et al. (2019); Alhassan & Killishi (2019) and Wanjuu & le Roux (2017).

Conclusion and Policy Recommendations

This study estimated the relationship between institutional quality and inclusive growth in Africa via productive employment and the evidence shows that on the overall, institutional quality as represented by property right; risk of expropriation, corruption, and rule of law do have a significant effect on productive employment (PE) in the continent. Thus, institutional quality has a positive and a significant effect on the generation of productive employment in the continent. This

demonstrates that strong and effective institutions, characterised by secure property rights, respect for the rule of law, a lower risk of expropriation, and low corruption, are critical drivers of productive employment for the teeming youthful population and inclusive growth in Africa. Therefore, based on the findings this study emphasizes the importance of prioritizing institutional quality reforms in Africa to ensure inclusive growth through the generation of productive employment that enable the population earn income and improved living conditions. It suggests robust institutional reforms to minimize corruption, protect property rights, and increase bureaucratic quality, promoting accountability, lowering transaction costs, and creating a business-friendly environment.

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CHAPTER 5

GUARANTEES OF SOCIAL AND ECONOMIC RIGHTS IN AFRICA: PROMISE VERSUS REALITY

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Abstract

This paper examines the constitutional guarantees of socio-economic rights (SERs) in Africa, interrogating the tension between promise and reality. Using doctrinal, jurisprudential, and thematic analysis, it explores how SERs are entrenched in constitutions, how courts interpret their justiciability and progressive realization, and the structural constraints such as neoliberal reforms, elite capture, and resource misallocation that hinder enforcement. Case studies from South Africa, Kenya, Uganda, and Nigeria illustrate divergent judicial approaches. Comparative perspectives from Europe and global trends reveal both opportunities and challenges. The study concludes that translating constitutional promises into lived realities requires robust jurisprudence, accountable governance, and rights-aligned policies.

Keywords: Socio-economic rights, Constitutional guarantees, Justiciability, Progressive Realization, Human Rights Enforcement, Comparative Constitutionalism, Africa.

Introduction

The constitutionalization of social and economic rights (SERs) is one of the most significant developments in contemporary constitutionalism. Across different jurisdictions, constitutions have progressively moved beyond protecting civil and political liberties to incorporate guarantees relating to health, housing, education, work, and social security. In Europe, this development is reflected in constitutions such as those of Italy, Germany, and Portugal, which blend legislative discretion with minimal guarantees designed to safeguard distributive justice and social integration (Lucherini, 2024). In Africa, the trend has been even more pronounced: new constitutions drafted in the aftermath of authoritarian rule and structural adjustment crises have entrenched SERs as enforceable rights rather than as mere directive principles (Udombana, 2023).

Yet, the constitutional promise of SERs often collides with the harsh realities of underdevelopment, weak institutions, and political contestation. While African

constitutions—including those of South Africa, Kenya, Uganda, and Nigeria explicitly guarantee rights to housing, health, education, and livelihood, the lived experience of millions of Africans suggests a persistent gap between text and practice (Atupare, 2023). This raises the central puzzle of this paper: why have constitutional guarantees of SERs not fully translated into substantive improvements in social welfare, and what explains the divergence between promise and reality?

South Africa offers a particularly illuminating case. Its 1996 Constitution is celebrated globally for the justiciability of SERs and for landmark jurisprudence such as *Government of the Republic of South Africa v Grootboom* and *Minister of Health v Treatment Action Campaign*. These decisions affirmed that the state bears positive duties to progressively realize housing and healthcare rights, subject to the standard of reasonableness (Mudau, 2025). At the same time, judgments like *Mazibuko v City of Johannesburg* demonstrate the judiciary’s reluctance to second-guess executive resource allocations, illustrating the tension between judicial enforcement and political discretion (Mudau, 2025).

This tension is not unique to South Africa. Kenya’s 2010 Constitution entrenched SERs in unprecedented detail, guaranteeing rights to food, water, housing, and education. However, structural inequalities and private agreements, such as Uganda’s Vinci Coffee deal, often undermine these rights in practice, demonstrating how political economy dynamics dilute constitutional promises (Mukiibi, 2023). Similar patterns are observed in Nigeria, where SERs remain in the non-justiciable chapter of the Constitution, leaving enforcement largely at the mercy of legislative goodwill (Udombana, 2023). Across these contexts, the divergence between constitutional guarantees and lived realities reflects both institutional weaknesses and the political choices of elites.

Comparative constitutional scholarship provides further insight into these contradictions. Constitutional guarantees whether of academic freedom or of social rights embody both a normative promise of emancipation and a practical struggle for realization (Spannagel, 2025). Formal constitutional entitlements do not always overcome entrenched socio-economic hierarchies, which Brake (2023) describes as the “elusive promise” of equal citizenship. Even when constitutions establish strong rights and “fourth branch institutions” to redress inequality, outcomes depend heavily on institutional autonomy, budgetary commitments, and enforcement capacity (Dixon & Tushnet, 2023). In Africa, where fiscal constraints, donor pressures, and governance deficits are common, these institutional conditions often frustrate effective SER realization.

The African context also highlights the interplay between social rights and broader questions of democratic governance, distributive justice, and development. While constitutions promise both democracy and socio-economic transformation,

progress remains partial, with reports often overstating achievements (Udombana, 2024). A human rights-based approach to service delivery grounded in constitutional guarantees shows promise but is undermined by weak accountability mechanisms and inconsistent decentralization outcomes in countries like South Africa and Uganda (Mubangizi & Mubangizi, 2025). This suggests that constitutional guarantees of SERs must be assessed not only in terms of their doctrinal existence but also through the institutional, fiscal, and political ecosystems in which they operate.

Moreover, the constitutional promise of SERs intersects with broader questions of economic governance. National constitutions increasingly connect competitive markets with socio-economic and environmental values (Bernatt, 2025). In Africa's resource-rich states, however, natural resource governance continues to perpetuate inequality and exclusion, raising doubts about whether constitutional guarantees can reshape entrenched patterns of wealth distribution (Natural Resource Governance Study, 2025). This mirrors Nyotah et al.'s (2023) argument that rights guarantees within regional economic blocs, such as the East African Community, often remain a "false promise" when confronted with structural limitations.

This paper situates itself within this growing body of scholarship to critically evaluate the constitutionalization of social and economic rights in Africa. It argues that while constitutional guarantees of SERs represent a normative commitment to social justice and redistribution, their realization is constrained by institutional weakness, political economy dynamics, and judicial ambivalence. By analyzing doctrinal developments, landmark cases, and comparative experiences, the study interrogates the gap between promise and reality and seeks to identify pathways toward more effective implementation. The focus will be on three interrelated dimensions: (i) the legal frameworks that entrench SERs, (ii) the jurisprudential approaches to their enforcement, and (iii) the structural constraints that impede their realization.

In doing so, the paper contributes to a nuanced understanding of constitutionalism in Africa: not as a mere catalog of rights, but as a contested terrain where the ideals of dignity, equality, and social justice confront the realities of limited resources, institutional fragility, and political contestation. Ultimately, it asks whether constitutional guarantees of SERs can move beyond rhetorical promise to substantive reality, and what reforms or innovations might bridge this enduring gap.

Literature Review

Across Africa, the constitutionalization of social and economic rights (SERs) reflects a profound aspiration to bridge the divide between law and social justice. Beginning with the post-Cold War constitutional wave of the 1990s, African states increasingly embedded rights to housing, health, education, food, work, and social security directly into their constitutions, often alongside civil and political rights.

Udombana (2023) notes that these provisions positioned African constitutions at the global forefront of rights-based commitments, extending legal recognition to what had historically been treated as political or programmatic goals. Yet, as Udombana (2024) argues elsewhere, the constitutional text often far outpaces the reality of implementation, leaving citizens in a state of “rights without remedies.” This disjuncture between promise and reality has become a central theme in socio-economic rights scholarship. Tait & Taylor (2023), reflecting on twenty-five years of South Africa’s experiment with SER constitutionalism, observe that while courts and legislatures have made progress in clarifying entitlements, many communities still perceive rights as aspirational rather than enforceable. Their study suggests that rights embedded in constitutional texts must be continually reinforced by institutional design, social mobilization, and political will if they are to influence lived experiences.

The literature thus grapples with a double question: what does it mean to guarantee socio-economic rights in constitutional law, and how do those guarantees translate into actual improvements in people’s lives? To answer this, scholars have explored theories of justiciability, the principle of progressive realization, the tripartite framework of state obligations, and the interpretive role of constitutional values such as dignity and equality. Comparative perspectives, especially from Europe and Latin America, add depth to these debates, while African case studies expose the structural and political barriers that hinder realization. The following sections review this rich body of work.

Theories of Justiciability of Socio-Economic Rights

The justiciability of socio-economic rights whether courts can legitimately and effectively adjudicate claims to health, housing, or education remains one of the most contested questions in constitutional law. Skeptics argue that such rights lack the precision and enforceability of civil and political rights, while proponents contend that judicial review is indispensable for ensuring state accountability.

South Africa provides the leading African case study. Mudau (2025) shows how the Constitutional Court, particularly in cases involving the right to housing, has developed a distinctive model of adjudication informed by General Comment No. 4 of the Committee on Economic, Social and Cultural Rights. Rather than guaranteeing individuals a house, the Court has demanded that government housing policies be “reasonable,” accessible, and inclusive of the most vulnerable. This standard of reasonableness enables the judiciary to enforce rights without dictating precise budgetary allocations, thereby avoiding accusations of overreach while still compelling substantive state action.

Tshoose (2023) expands this discussion by highlighting how South African courts anchor their reasoning in constitutional values such as ubuntu, human dignity, and equality. These values provide a moral and legal framework that justifies judicial

intervention in the socio-economic sphere. By invoking ubuntu, for example, the Court interprets rights not only as individual entitlements but as expressions of solidarity and communal responsibility. This interpretive approach strengthens the legitimacy of socio-economic adjudication, demonstrating that judicial enforcement need not be at odds with democratic governance.

Comparative experiences in Europe reinforce this point. Lucherini (2024) traces how courts in Italy, Germany, and Portugal have navigated similar challenges. Despite concerns about separation of powers, these courts have recognized socio-economic rights as binding constitutional commitments, sometimes by framing them as corollaries of dignity and equality. This demonstrates that judicial enforcement of SERs is not uniquely African but part of a broader constitutional practice. Lucherini's analysis undermines the argument that such rights are "non-justiciable" by nature, instead showing that their enforceability depends on judicial creativity and constitutional culture.

Still, doubts persist. Tait & Taylor (2023) caution that the effectiveness of socio-economic adjudication is shaped by public perceptions of judicial accessibility and fairness. If communities see litigation as prohibitively expensive or politically futile, the symbolic promise of constitutional rights may collapse into disillusionment. Likewise, Brake (2023), writing from a U.S. perspective, warns of "retrenchment," where gains in rights enforcement can be rolled back under changing political conditions. For African courts, this highlights the fragility of judicially enforced SERs.

Ultimately, the debate on justiciability reveals that courts are neither powerless nor omnipotent. As Atupare (2023) observes, judicial enforcement must operate within a broader ecosystem of accountability, involving legislatures, executives, and civil society. Theories of justiciability thus frame courts not as final arbiters of distributive justice but as key actors within a multi-institutional struggle to transform socio-economic rights from abstract guarantees into lived realities.

Progressive Realization and Minimum Core Obligations

The concept of progressive realization has been central to debates on socio-economic rights, particularly in Africa where resource scarcity often collides with constitutional ambition. The idea, articulated in Article 2(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR), obliges states to take steps, to the maximum of their available resources, to achieve full realization over time. This formulation recognizes fiscal constraints but simultaneously requires demonstrable, deliberate, and non-retrogressive action.

In South Africa, the principle has been operationalized through judicial doctrine. Mudau (2025) highlights how the Constitutional Court in *Government of the Republic of South Africa v Grootboom* (2000) avoided establishing an enforceable

“minimum core” right to shelter but nonetheless compelled the state to adopt reasonable measures to address urgent housing needs. The Court acknowledged resource limitations while insisting that policies be inclusive, coherent, and prioritized toward those in crisis. Mudau argues that this approach, while cautious, affirms that progressive realization is not an excuse for inaction but a framework for structured accountability.

Yet the reluctance to embrace a “minimum core” obligation remains contentious. The Committee on Economic, Social and Cultural Rights (CESCR) has long argued that certain obligations are of immediate effect—such as non-discrimination and ensuring access to essential primary health care or food (CESCR, General Comment No. 3, 1990). Tshoose (2023) critiques the South African Court for undercutting this principle, suggesting that reliance on a vague “reasonableness” test risks diluting enforceability. By contrast, minimum core obligations, even if modest, could establish a non-negotiable floor of protection, particularly for marginalized communities.

Scholars across Africa echo this tension. Udombana (2023) notes that Nigerian constitutionalism embeds socio-economic rights within directive principles of state policy, rendering them non-justiciable but rhetorically significant. Progressive realization, in this context, becomes a political rather than judicial standard, often invoked to justify gradualism while sidestepping concrete accountability. Similarly, Atupare (2023), analyzing Ghana’s constitutional framework, argues that the absence of clear justiciable obligations has reduced socio-economic rights to political slogans, undermining both constitutional fidelity and social trust.

Comparative lessons from Europe reveal alternative approaches. Lucherini (2024) demonstrates that constitutional courts in Germany and Italy have sometimes treated socio-economic entitlements as immediately binding in contexts where denial would undermine dignity or equality. By identifying a “minimum existential guarantee,” these courts effectively recognize a core of rights that must be protected regardless of fiscal constraints. Such jurisprudence suggests that African courts could strengthen the normative force of progressive realization by identifying minimum essential thresholds.

The literature thus frames progressive realization not as a retreat from enforceability but as a dynamic principle balancing fiscal realities with the immediacy of human needs. It requires governments to demonstrate that they are deploying resources effectively, prioritizing the most vulnerable, and avoiding retrogression. Where states fail these tests, courts and civil society have a legitimate role in holding them accountable.

State Obligations in the Enforcement of Socio-Economic Rights

The tripartite typology of state obligations—to respect, protect, and fulfill socio-economic rights—provides another analytical lens for understanding constitutional guarantees. This framework, developed in international human rights law and elaborated by the CESCR, has been widely adopted by African scholars.

The obligation to respect requires states not to interfere with the enjoyment of socio-economic rights. For example, forced evictions without due process constitute a direct violation of the right to housing. Tshoose (2023) shows how South African courts have repeatedly invalidated eviction orders that disregarded the constitutional obligation to consider the plight of vulnerable groups. By framing such obligations negatively, courts can enforce rights without necessarily imposing new spending commitments, thus reducing political resistance.

The obligation to protect demands that states regulate third parties whose actions may undermine socio-economic rights. This is particularly relevant in African contexts marked by rapid urbanization, privatization, and market liberalization. Udombana (2024) highlights how weak regulatory frameworks in Nigeria have enabled private actors to limit access to clean water, undermining constitutional promises. Similarly, Atupare (2023) emphasizes the Ghanaian judiciary's underutilization of protective obligations in contexts such as mining, where corporate practices often devastate local communities' access to land and food. Here, the constitutional promise of rights collides with political economy realities, as states often prioritize investment and revenue over regulation.

The obligation to fulfill requires positive measures, including legislative, administrative, and budgetary actions, to realize socio-economic rights. This is the most resource-intensive obligation and, unsurprisingly, the most contested. Mudau (2025) observes that South Africa's Constitutional Court has insisted that the government design comprehensive housing and health programs, but it has refrained from dictating budget lines. Instead, it demands coherence, inclusivity, and responsiveness. While critics like Tshoose (2023) lament this as judicial timidity, defenders argue that it preserves democratic legitimacy while ensuring substantive accountability.

Importantly, the tripartite framework demonstrates that socio-economic rights cannot be dismissed as “aspirational.” They impose real and diverse obligations, some immediate (non-interference, non-discrimination) and others programmatic (budgetary allocations). As Atupare (2023) argues, the failure of many African states lies not in the abstract impossibility of these rights but in political unwillingness to embrace their full scope.

Comparative insights again enrich this analysis. Lucherini (2024) shows how European courts have used the respect-protect-fulfill framework to scrutinize

austerity measures, ensuring that fiscal consolidation does not disproportionately burden vulnerable groups. Brake (2023), though writing in the U.S. context, underscores how judicial neglect of such obligations has led to retrenchment, where rights formally recognized become practically hollow. African states, by contrast, are still constructing jurisprudence around these obligations, offering an opportunity for more transformative interpretations if courts and legislatures embrace them.

Together, the principles of progressive realization and the tripartite framework clarify that constitutional guarantees are not rhetorical flourishes. They constitute actionable standards that can be judicially reviewed, legislatively implemented, and socially demanded. Where African states fall short, it is less because of doctrinal impossibility and more because of institutional weakness, political inertia, and economic priorities that sideline the poor.

Constitutional Values and Interpretive Approaches

The enforcement of socio-economic rights (SERs) in Africa rests on constitutional values that guide interpretation. Central among these is human dignity, which South Africa's Constitutional Court has consistently linked to rights such as housing, health, and social security, elevating them from aspirations to enforceable entitlements (Tshoose, 2023). Closely tied to dignity is ubuntu, a relational philosophy stressing solidarity and interdependence. Courts have invoked ubuntu particularly in eviction and land cases to craft remedies balancing individual entitlements with communal well-being (Tshoose, 2023).

Values also shape public perceptions of legitimacy. Tait and Taylor (2023) note that where citizens perceive rights as hollow promises, litigation and mobilization decline; when framed in dignity or ubuntu, rights appear more legitimate and foster compliance. Spannagel (2025) adds that socio-economic rights must resonate with cultural legitimacy, especially in contexts where customary norms coexist with constitutional frameworks. Interpretive approaches that integrate dignity, equality, ubuntu, and cultural values thus provide stronger legitimacy and enforceability.

Comparative Perspectives Beyond Africa

Comparative experiences show that socio-economic rights are enforceable even under fiscal constraints. In Germany, courts developed a doctrine of a “minimum existential guarantee,” obligating the state to secure subsistence regardless of budgetary limits (Lucherini, 2024). Portugal's Constitutional Court has reviewed austerity policies to prevent disproportionate harm to vulnerable groups, lessons relevant to African states under adjustment programs.

Beyond Europe, socio-economic values increasingly permeate economic regulation. Bernatt (2025) shows how EU competition law integrates environmental and social concerns, suggesting African regulators could embed

affordability and access obligations into utility and telecommunications frameworks. At a broader level, Lovelace & Smith (2025) describe a global constitutionalization of positive rights, with Latin America treating education, health, and housing as enforceable. These examples demonstrate that African constitutionalism forms part of a global trend, where SERs are integral to democracy rather than aspirational ideals.

Structural Barriers and Political Economy of Rights Realization

Despite progressive constitutions, structural barriers undermine socio-economic guarantees. Neoliberal frameworks emphasizing austerity, privatization, and deregulation have eroded public services and constrained state capacity (Lovelace & Smith, 2025). Natural Resource Governance (2023) underscores that resource wealth has not translated into social justice: in countries such as Nigeria and Angola, elite capture of oil and gas revenues has widened inequality.

Mukiibi (2023) illustrates these tensions through Uganda's coffee agreement with foreign investors, where constitutional guarantees of livelihoods were sidelined in favor of corporate interests. Elite capture and state–corporate collusion thus convert guarantees into empty rhetoric. Institutional weaknesses also contribute. Dixon & Tushnet (2023) highlight the absence of strong “fourth branch institutions,” such as rights commissions and ombuds bodies, which could relieve overburdened judiciaries and enhance accountability. These barriers show that SER realization depends as much on political economy and institutional design as on judicial interpretation.

Emerging Trends and Opportunities

Amid challenges, emerging trends suggest new pathways for enforcement. Atupare (2023) advocates an integrated rights approach, linking socio-economic rights with civil liberties such as expression and association, which empower communities to demand services. Decentralization is another opportunity. Mubangizi & Mubangizi (2025) argue that devolved governance can improve service delivery if accompanied by accountability, preventing replication of elite capture at the local level.

Attention to vulnerable groups has also expanded. Reyneke (2024) shows how children's right to education has been treated by courts as immediate and urgent, reinforcing the idea that some socio-economic rights require accelerated realization. Finally, digital innovation is opening avenues for mobilization and accountability. Tait & Taylor (2023) note how mobile legal aid platforms and online petitions democratize access to remedies. Together, these developments highlight that while structural barriers remain formidable, African constitutionalism continues to evolve toward practical enforcement.

Methodology

Study Area

The study focuses on selected African countries where socio-economic rights (SERs) are constitutionally entrenched and have generated significant jurisprudence. South Africa, Kenya, Uganda, and Nigeria are chosen as the core cases. South Africa provides the leading model of SER justiciability, Kenya's 2010 Constitution entrenches broad socio-economic guarantees, Uganda illustrates tensions between constitutional promises and economic agreements such as the Coffee Agreement, while Nigeria reflects the challenge of non-justiciable Directive Principles. Together, these countries provide a representative mix of progressive, intermediate, and weak enforcement contexts within Africa. Comparative references are also drawn from European jurisdictions such as Germany, Italy, and Portugal, as well as Latin America, to provide external benchmarks.

Sampling Technique and Sample Size

The study employs a purposive sampling technique, selecting cases and constitutional texts that are most relevant to the objectives of the research. The sampling frame includes:

1. Constitutional documents from four African states (South Africa, Kenya, Uganda, Nigeria).
2. Judicial decisions: approximately 10 landmark cases on housing, education, social security, and labor rights, such as *Government of the Republic of South Africa v Grootboom* and *Minister of Health v Treatment Action Campaign*.
3. Scholarly literature and reports: Approximately, 20 peer-reviewed articles, books, and institutional reports, including works by Udombana (2023), Mudau (2025), Tshoose (2023), and others.

This purposive sample ensures depth rather than breadth, allowing the study to critically engage with the most illustrative legal and jurisprudential materials.

Analytical Technique

The study applies qualitative doctrinal and thematic analysis. First, a doctrinal analysis examines constitutional provisions, international instruments, and judicial rulings to identify how SERs are legally entrenched. Second, a jurisprudential analysis categorizes judicial approaches into theories of justiciability, progressive realization, and minimum core obligations. Third, a thematic analysis of secondary literature and case law identifies structural constraints such as resource limitations, neoliberal reforms, and elite capture that hinder effective realization. The analysis is framed by the tripartite state obligations (to respect, protect, and fulfil) under international human rights law, ensuring a consistent evaluative lens across the selected cases.

Results and Discussion

Constitutional Entrenchment of Socio-Economic Rights in Africa

The doctrinal analysis shows that African constitutions exhibit wide variance in how socio-economic rights (SERs) are entrenched. South Africa's 1996 Constitution remains the global model of enforceable social rights, with justiciable guarantees of housing, health care, education, food, and social security (Mudau, 2025). These provisions are explicitly subject to the principle of progressive realization, but their textual entrenchment empowers courts to scrutinize government policy. Similarly, Kenya's 2010 Constitution codifies an ambitious Bill of Rights, situating SERs alongside civil and political rights as enforceable guarantees (Nyotah et al., 2023).

By contrast, Uganda's 1995 Constitution places many SERs within the National Objectives and Directive Principles of State Policy. As Mukiibi (2023) demonstrates through the coffee agreement controversy, this framing renders rights aspirational, allowing the state to subordinate farmers' livelihoods to elite-driven contractual arrangements with corporations. Nigeria's 1999 Constitution presents perhaps the starkest example of the "promise–reality gap." While Chapter II outlines SERs such as education, health, and housing, Section 6(6)(c) declares these provisions non-justiciable. Udombana (2023) observes that this doctrinal design entrenches a form of "constitutional hypocrisy": rights are proclaimed, but courts are prohibited from enforcing them.

Outside Africa, European experiences reveal a different constitutional pathway. Lucherini (2024) shows how Italy, Germany, and Portugal constitutionalized social rights through three techniques:

- (i) legislative discretion subject to judicial oversight,
- (ii) minimal guarantees ensuring a subsistence floor, and
- (iii) distributive integration aligning social rights with the broader welfare state.

These models highlight pathways African states might emulate, but also expose tensions when political economies are marked by resource constraints and entrenched inequalities.

Jurisprudential Approaches and Theories of Justiciability

The Role of Courts

The question of justiciability remains central to SER enforcement. In South Africa, courts have carefully crafted a role that avoids accusations of "judicial overreach." As Mudau (2025) explains in his study of housing jurisprudence, the Constitutional Court has relied on General Comment 4 of the UN Committee on Economic, Social and Cultural Rights to interpret the right to adequate housing, emphasizing not mere shelter but security of tenure, habitability, and accessibility. This doctrinal

borrowing illustrates how international norms are domesticated through judicial creativity.

Conversely, in Nigeria, courts adopt a rigidly textualist approach, refusing to hear cases that attempt to invoke Chapter II rights. Tshoose (2023) contrasts this with South Africa, where courts interpret socio-economic rights in light of constitutional values such as Ubuntu, dignity, and equality. This interpretive pluralism reflects a broader theory of constitutionalism where SERs are grounded not just in text but also in underlying moral values.

Uganda's judiciary presents a hybrid pattern. In the coffee case, courts initially entertained challenges to the Vinci agreement but later retreated, citing limits on enforceability (Mukiibi, 2023). This oscillation underscores Tait & Taylor's (2023) insight that rights consciousness among citizens often exceeds judicial willingness, producing frustration when courts fall back on procedural rather than substantive review.

Progressive Realization and Minimum Core

The UN framework, particularly General Comment 3 and General Comment 4, requires states to progressively realize SERs within available resources while immediately ensuring a "minimum core." Yet in South Africa, the Constitutional Court has been reluctant to endorse minimum core obligations directly. In Grootboom (2000), the Court acknowledged the dire conditions of the homeless but insisted on evaluating government policy through "reasonableness review," rather than imposing a core entitlement (Mudau, 2025).

Kenyan courts, by contrast, have begun to experiment with minimum core reasoning, particularly in health rights litigation. Still, as Nyotah et al. (2023) note, courts face political backlash when they attempt to enforce redistributive remedies. Uganda and Nigeria remain far removed from this discourse, as courts rarely engage with the substantive content of SERs.

State Obligations: Respect, Protect, Fulfil

Atupare (2023) proposes that African constitutionalism is moving toward an "integrated rights approach" where the tripartite obligations respect, protect, fulfil guide enforcement. South African jurisprudence shows partial recognition: the duty to respect (non-interference) is clear in housing and eviction cases, the duty to protect emerges in regulating private actors, and the duty to fulfil arises in service-delivery litigation. However, in Uganda and Nigeria, these obligations are rarely disaggregated, weakening accountability.

Structural Constraints and the Political Economy of SERs

Resource Limitations and Inequality

One of the most common state defenses is lack of resources. Yet Dixon & Tushnet (2023) argue that democracies can address inequality through “fourth branch institutions” such as independent human rights commissions or public protectors, which safeguard budgetary allocation for SERs. South Africa’s Human Rights Commission has played this role, though with mixed results.

Still, poverty and inequality remain pervasive. Reyneke (2024) highlights how children’s educational rights are undermined by inadequate social services, despite explicit constitutional guarantees. This gap reflects not merely resource scarcity but structural misallocation, where budgets privilege elite interests over vulnerable groups.

Neoliberalism and Market-Oriented Reforms

Mukiibi (2023) situates Uganda’s coffee agreement within a broader neoliberal framework: privatization and state–corporate alliances override constitutional promises to protect farmers. Bernatt (2025) adds that competition law itself is being reframed to connect markets with social and environmental values. However, in Africa, neoliberal policy legacies from the 1980s structural adjustment era continue to constrain redistributive possibilities, reducing SERs to rhetorical commitments.

Elite Capture and Governance Failures

Natural Resource Governance (2023) studies confirm that resource-rich African states such as Nigeria and Angola often suffer from elite capture: oil and mineral wealth is centralized in ways that exacerbate inequality rather than alleviate it. In Nigeria, this governance pattern interacts with the non-justiciability of SERs to create what Udombana (2024) calls “democratic deficit constitutionalism”: rights are formally recognized but structurally undermined.

Constitutional Values and Interpretive Approaches

Interpretive values play a critical role in bridging the promise–reality gap. Tshoose (2023) shows how Ubuntu, dignity, and equality are mobilized in South Africa to strengthen claims to social security. Similarly, Spannagel (2025), studying academic freedom, emphasizes that constitutional legitimacy requires alignment with cultural values and psychological perceptions of justice. Without this cultural grounding, SERs remain textually entrenched but socially illegitimate.

Tait & Taylor (2023) also stress the psychological dimension of enforcement: citizens’ willingness to demand rights depends on whether they believe courts can and will deliver. In many African states, weak enforcement breeds cynicism, leading to underutilization of SER guarantees.

Comparative Insights Beyond Africa

Comparisons with Europe offer both inspiration and caution. Lucherini (2024) documents how Italy, Germany, and Portugal operationalize social rights through a mix of legislative discretion and constitutional guarantees. Yet these states benefit from robust welfare systems and strong fiscal bases. African states adopting similar models without addressing structural inequality may reproduce “paper rights” without real substance.

Globally, Lovelace & Smith (2025) argue that positive rights are gaining moral legitimacy, influenced by Christian ethics and global constitutionalism. However, as Brake (2023) reminds us in the U.S. context, even entrenched rights can face retrenchment when political conditions shift. Africa thus faces a dual challenge: to entrench rights effectively and to safeguard them against political backsliding.

Emerging Trends and Opportunities

Despite obstacles, emerging jurisprudential and institutional trends suggest room for optimism. Atupare (2023) highlights the promise of an integrated rights approach, where courts, legislatures, and human rights institutions coordinate in delivering SERs. Mubangizi & Mubangizi (2025) point to decentralization as an opportunity: when local governments are empowered and accountable, service delivery improves, bringing SERs closer to citizens.

Reyneke (2024) underscores that children’s rights in education remain a fertile site for advancing SERs, given the moral and political salience of protecting minors. Similarly, Pundir (2025) notes that marginalized communities increasingly use rights language to demand access to justice, showing that grassroots mobilization remains vital.

Finally, Bernatt (2025) demonstrates how constitutionalizing socio-economic values within competition law creates new avenues to align market regulation with welfare goals. This suggests that SER realization can also be advanced through non-traditional domains such as economic regulation and trade law.

Synthesis: Promise versus Reality

The evidence paints a complex picture. On the one hand, the entrenchment of SERs in constitutions across Africa reflects a normative shift toward recognizing their centrality to human dignity. South Africa and Kenya show that judicial enforcement is possible, though limited by doctrines such as progressive realization. On the other hand, Uganda and Nigeria exemplify the reality of aspirational rights undermined by neoliberal reforms, elite capture, and textual non-justiciability.

This confirms Udombana’s (2023, 2024) thesis that while African states have embraced the constitutionalization of SERs, realization remains hampered by structural deficits. The way forward requires not only doctrinal innovation but also

institutional reform, political will, and societal mobilization. As Dixon & Tushnet (2023) and Atupare (2023) argue, enforcement must be multi-actor, engaging courts, legislatures, independent institutions, and civil society.

Conclusion

This study examined the paradox of socio-economic rights (SERs) in Africa, where constitutional guarantees coexist with persistent under-realization. Using doctrinal, jurisprudential, and thematic analysis, it assessed the legal frameworks, judicial reasoning, and structural barriers that shape the enforcement of these rights.

Doctrinally, African constitutions reveal uneven commitments: South Africa and Kenya provide explicit justiciable SERs, while Uganda and Nigeria limit them to directive principles or non-justiciable clauses. These constitutional compromises reflect political resistance to redistributive obligations (Udombana, 2024).

Jurisprudentially, courts demonstrate divergent approaches. South African jurisprudence has developed a reasonableness standard grounded in international law, particularly in housing and health cases, while Kenyan courts have cautiously tested minimum core obligations. By contrast, Ugandan and Nigerian courts often defer to political branches, reinforcing the fragility of SER justiciability. Interpretive values such as dignity and Ubuntu (Tshoose, 2023) show that judicial creativity can expand the reach of socio-economic rights even in resource-constrained contexts.

Structurally, resource scarcity, elite capture, and neoliberal reforms remain persistent barriers. While states often cite fiscal limitations, evidence suggests that misallocation, corruption, and privatization policies have more directly eroded the realization of rights (Mukiibi, 2023; Natural Resource Governance, 2023). Political economy dynamics, including state–corporate alliances, further constrain judicial enforcement and weaken accountability.

Comparative perspectives highlight both opportunities and risks. European models demonstrate how welfare states integrated SERs into distributive frameworks (Lucherini, 2024), while global trends affirm their growing normative legitimacy (Lovelace & Smith, 2025). Yet experiences such as U.S. retrenchment (Brake, 2023) caution that constitutional guarantees can be reversed under shifting political conditions.

Ultimately, the promise of constitutional guarantees in Africa lies in their normative affirmation of dignity, equality, and justice. The reality, however, is shaped by jurisprudential unevenness and entrenched political-economic barriers. Advancing SER realization will require stronger judicial reasoning, institutional safeguards against resource diversion, alignment of economic policy with rights, and robust

civic mobilization. Only then can constitutional promises translate into lived social and economic justice.

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CHAPTER 6

GHANA'S 24-HOUR ECONOMY POLICY: PROSPECTS, CRITICAL INDUSTRIES AND CHALLENGES

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Abstract

This paper examines Ghana's proposed 24-hour economy policy through the lens of international experiences from developed economies including Australia, the United Kingdom, Germany, and North America. Drawing on comprehensive analysis of successful implementations and policy failures across multiple jurisdictions, the study identifies manufacturing, ICT, healthcare, tourism, and transportation as sectors with high growth potential for Ghana's economy. The research reveals that whilst successful 24-hour economies can generate substantial economic benefits, with London contributing £26.3 billion annually and New South Wales employing one in five workers, implementation requires sophisticated governance structures, strategic infrastructure investment, and careful management of social challenges. Analysis of policy failures, particularly Sydney's lockout laws that caused £16 billion in economic losses, demonstrates the costly consequences of poorly designed interventions. For Ghana and similar emerging economies, the findings suggest that phased implementation starting with pilot programmes, combined with strong institutional frameworks and community engagement, offers the most viable pathway to capturing economic benefits whilst avoiding documented pitfalls. The study concludes that Ghana's 24-hour economy policy, if strategically implemented with lessons from international best practices, could significantly accelerate job creation and GDP growth whilst enhancing global competitiveness.

Keywords: 24-hour Economy, Night-Time Economy, Economic Development, Policy Implementation, International Best Practices, Ghana.

Introduction

The concept of a 24-hour economy has emerged as a viable strategy to foster continuous economic activity, generate employment, and support inclusive growth in an increasingly globalised, urbanised, and digitalised world (Presser, 2003; Florida, 2005). Economic growth in developing economies faces distinctive challenges including infrastructure deficits, regulatory constraints, limited access to capital markets, and skills mismatches (ASEAN+3 Macroeconomic Research Office, 2023; Harvard Kennedy School, 2023). However, developing countries also possess substantial advantages such as younger demographics, growing urban populations, and opportunities to leapfrog traditional development models through technological innovation and policy learning from developed economies (World Bank, 2020; UN DESA, 2023; CSIS, 2024).

Ghana finds itself confronting a crisis of high unemployment, jobless growth, high cost of doing business, low wages, rising poverty and growing inequality. The country has recorded its highest unemployment rate of almost 15% with youth unemployment of about 30% (NDC, 2024). This unemployment crisis has been occasioned through a disconnect between government policies and job outcomes, posing a major threat to Ghana's democratic development. In response, Ghana's National Democratic Congress has proposed a comprehensive 24-Hour Economy Policy as a deliberate intervention to stimulate economic growth through creating an enabling environment for businesses and public institutions to operate 24/7 in three shifts of eight hours each (NDC, 2024).

A 24-hour economy refers to an economic system that operates continuously, ensuring goods and services remain accessible throughout all hours of the day (Kelly, 2022). This concept has gained widespread acceptance internationally, with numerous developed countries including the United States, United Kingdom, Germany, France, China, and Australia successfully implementing various forms of this approach (Abdul-Salam, 2024). Major cities such as London, Tokyo, and New York have realised substantial economic benefits from continuous operations across industries. For instance, London's night-time economy contributed between £17.7 billion and £26.3 billion in Gross Value Added to the UK economy in 2014, with projections suggesting an additional £2 billion annually by 2029 (London First & EY, 2016). Similarly, many developing countries are exploring the potential of implementing 24-hour economies to enhance their economic standing.

Ghana's proposed policy represents an integrated framework designed to support businesses to operate round-the-clock. This comprehensive, multi-sectoral, import-substitution, export-led and industrialisation agenda aims to transform the Ghanaian economy and create decent, sustainable, well-paying jobs (NDC, 2024). The policy promises increased employment opportunities, productivity, and enhanced access to public services and revenue. Implementation will focus on selected public institutions with large customer bases such as Ports and Harbours,

Customs, Passport Office, and the Driver and Vehicle Licensing Authority, whilst targeting primarily agro-processing, manufacturing, pharmaceuticals, construction, financial services, extractive industries, sanitation and waste management, hospitality industry, retail centres, transportation services, health services, and security services (NDC, 2024).

Implementation of a 24-hour economy, involving continuous commercial and service operations, becomes imperative to enhance flexibility and responsiveness in contemporary economic activities (Morrison, 1985; Betancourt & Clague, 1981). This strategy possesses the potential to accelerate economic growth exponentially. For example, estimates suggest that Ghana's proposed policy could generate over 3 million jobs across manufacturing and services sectors whilst raising real GDP by 31.71% over a ten-year period (Abdul-Salam, 2024). However, transitioning to a 24-hour economy presents considerable challenges as workers adapt to non-standard hours. Issues such as potential health problems including sleep deprivation and circadian rhythm disruptions are likely to emerge (Jabeen, 2017; Brassington, 2018). Furthermore, night-time economies frequently adapt to appeal to younger populations, reflecting broader societal shifts brought about by neoliberal policies (Nicholls, 2019). Whilst a 24-hour economy agenda presents opportunities for employment development and economic expansion, it also raises concerns regarding public health and quality of life, indicating the need for balance between personal wellbeing and economic demands (Bailey et al., 2015; Presser, 2003).

Ghana's approach will be home-grown to fit its unique cultural, economic, and social situation. The policy will be both public and private sector driven, with government policies designed to stimulate round-the-clock business operations. Policy coordination will be integrated across Ministries, Departments, and Agencies (MDAs) to ensure efficiency. An Employment Act that will complement the existing Labour Law will be enacted in consultation with organized labour, the Association of Ghana Industries, and other stakeholders to create a regulatory framework for the 24-Hour Economy (NDC, 2024).

A Night-Time Economy development project extending operations from 6 p.m. to 6 a.m. was recently approved in Vietnam with the goal of promoting economic growth through establishing a "24-hour society" (Nguyen et al., 2023). This programme is anticipated to stimulate industries including entertainment, retail, tourism, catering, and culture, creating jobs and raising GDP. Similarly, Ghana's 24-hour economy policy aims to improve economic resilience through encouraging continuous business activities, particularly in manufacturing and services. Both nations recognise that a 24-hour economy has the potential to spur economic expansion and employment creation, whilst acknowledging that issues regarding public health, infrastructure, and social dynamics must be addressed.

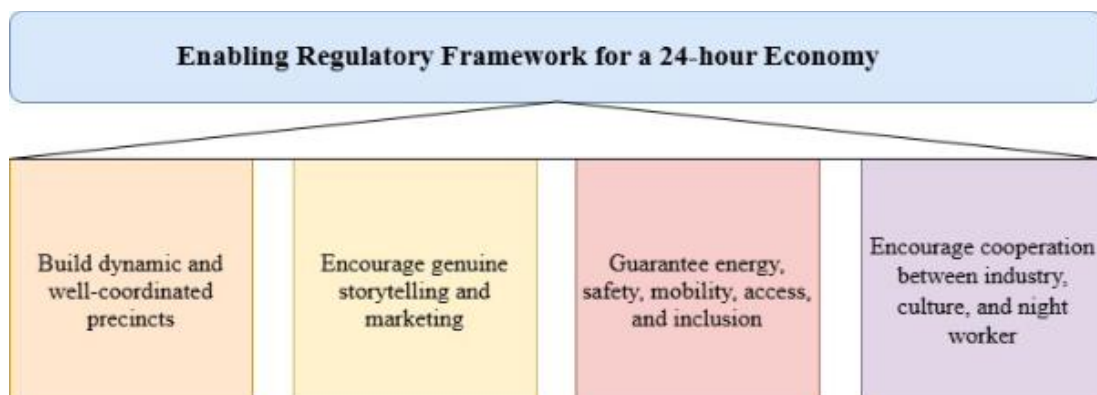


Figure 1.1 Pillars of New South Wales 24-Hour Economy Strategy
 Source: NSW Government (2024). 24-Hour Economy Strategy 2024
 Sydney: Office of the 24-Hour Economy Commissioner.

Manufacturing, services, transportation, wholesale and retail commerce, and the night-time economy represent important sectors with substantial growth potential (McKinsey Global Institute, 2024; U.S. Bureau of Labor Statistics, 2025). Manufacturing processes that operate continuously can boost output and create jobs. In wholesale and retail industries, extended hours serve diverse customer needs, increasing flexibility and satisfaction. Round-the-clock operations improve accessibility and service delivery for industries such as healthcare and hospitality (Hobbs et al., 2005). To support logistics and mobility whilst enabling smooth movement of people and commodities, continuous transport services prove essential (Abdul-Salam, 2024). A thriving night-time economy that includes cultural events and entertainment venues attracts diverse populations and boosts economic activity (Vignali & Gordon, 2008; Pratt & Gill, 2019). However, public health concerns emerge with a 24-hour economy, particularly regarding night shift workers' sleep deprivation. Increased risks of diabetes, heart disease, and other illnesses are linked to inadequate sleep (Brassington, 2018; Presser, 2003). Consequently, whilst the policy offers financial advantages, addressing employee health and wellbeing through appropriate policies and support networks becomes imperative.

Due to its focus on operational efficiency and continuous service delivery, the shift to a 24-hour economy is expected to significantly impact multiple industries (Shapiro, 1993; Kostiuik, 1990). Continuous operations in manufacturing can increase output and attract capital investments, resulting in substantial employment increases. The retail sector is expanding operating hours due to e-commerce growth and consumer demand for convenience (Cooley and Parkes, 2019). Given that many emergency cases occur outside regular business hours, 24-hour services prove essential in healthcare, particularly mental health services (Byrne et al., 2011; Institute for Healthcare Improvement, 2023). Similarly, transportation and logistics industries depend on continuous operations to facilitate timely delivery and maintain service reliability across multiple sectors. Ghana is not the only country

pursuing this policy direction. Ondimu (2024) examined the effects of a 24-hour economy on industrialisation of Micro and Small Enterprises in Nairobi County, Kenya. The findings highlighted both potential for increased employment and innovation as well as workforce and regulatory limitations, which are likely relevant to Ghana's situation.

Theoretical Framework: Growth Theory, Demand-Side Economics, and Technological Innovation

Neoclassical Growth Theory

Neoclassical growth theory, pioneered by Robert Solow (1956) and Trevor Swan (1956), examines the fundamental determinants that contribute to a country's economic development over time. The Solow-Swan model identifies capital accumulation, labour force growth, and technological progress as the primary drivers of long-term economic growth (Solow, 1956; Mankiw et al., 1992). In Ghana's 24-hour economy situation, this theoretical framework provides insights into how extended operating hours can optimise infrastructure and resource utilisation. The model's focus on capital accumulation and labour utilisation as engines of economic progress aligns directly with continuous operational processes. According to Solow's framework, increasing the utilisation rate of existing capital stock through extended operating hours can significantly enhance output without proportional increases in investment (Mankiw et al., 1992; Morrison, 1985). For Ghana, extending business hours across key sectors could increase productive capacity, potentially raise GDP and improve living standards through more efficient use of existing infrastructure and human resources. The neoclassical model also predicts convergence, suggesting that developing countries like Ghana should experience faster growth rates as they catch up to more developed economies (Barro & Sala-i-Martin, 2004). A 24-hour economy policy could accelerate this convergence through maximising the productivity of Ghana's relatively young and growing workforce whilst attracting technology and knowledge spillovers from international markets operating across different time zones. However, the model's assumption of exogenous technological progress presents limitations for understanding how 24-hour operations might endogenously generate innovation and productivity improvements through learning-by-doing effects and increased business dynamism (Romer, 1986; Lucas, 1988).

Keynesian Demand-Side Economics

Keynesian economics, developed by John Maynard Keynes (1936), asserts that aggregate demand, the sum of spending by households, businesses, and government, constitutes the primary driver of economic expansion (IMF, 2014). This theoretical framework proves particularly relevant for understanding how a 24-hour economy can stimulate economic activity through multiple channels. The Keynesian multiplier effect demonstrates that initial increases in spending generate

subsequent rounds of economic activity, with the total impact exceeding the original expenditure (Keynes, 1936; Kahn, 1931). In the situation of a 24-hour economy, extended operating hours can boost aggregate demand through providing consumers greater flexibility and round-the-clock market access, thereby increasing consumption opportunities. This increased consumption creates a multiplier effect throughout the economy, as businesses experience higher revenues, leading to increased employment and household incomes, which further stimulate demand. The multiplier mechanism works through the marginal propensity to consume (MPC), where each round of spending generates additional income that is partially spent and partially saved (Krugman, 2009). If Ghana's MPC is relatively high, as is typical in developing economies where consumption needs remain substantial, the multiplier effect of 24-hour economy policies could be particularly pronounced. Furthermore, Keynesian theory suggests that continuous operations may reduce unemployment through creating additional jobs across multiple shifts, thereby increasing household incomes and consumption capacity. This demand-side stimulus can help Ghana achieve higher capacity utilisation and economic growth, particularly during periods when traditional daytime economic activity might be constrained.

Ramsey-Cass-Koopmans Model of Optimal Growth

The Ramsey-Cass-Koopmans (RCK) model, developed independently by Frank Ramsey (1928), David Cass (1965), and Tjalling Koopmans (1965), provides a sophisticated framework for understanding optimal capital accumulation and consumption decisions over time. This model proves particularly relevant for analysing 24-hour economy policies because it addresses both technological innovation and intertemporal optimisation of resources. Unlike the Solow model, the RCK framework endogenises saving decisions through utility maximisation, making consumption and investment choices dependent on forward-looking optimisation rather than fixed savings rates (Cass, 1965; Koopmans, 1965). In the situation of a 24-hour economy, this suggests that businesses and households will adjust their consumption and investment patterns based on the new opportunities and constraints created through extended operating hours. The model's treatment of technological progress becomes particularly relevant for Ghana's 24-hour economy policy. Continuous operations may require significant investments in new infrastructure, automated systems, and digital technologies to maintain productivity and efficiency during extended hours. According to the RCK framework, such technological investments prove essential for long-term economic growth, as they can result in sustained productivity improvements (Ramsey, 1928; Arrow & Kurz, 1970).

The Keynes-Ramsey rule, fundamental to this model, indicates that optimal growth occurs when the marginal rate of substitution between present and future consumption equals the marginal rate of transformation in production (Arrow & Kurz, 1970). For Ghana, this implies that 24-hour economy investments should be

pursued when the discounted future benefits, including increased productivity, job creation, and economic competitiveness, exceed the present costs of implementation. Moreover, the RCK model's focus on balanced growth paths suggests that Ghana's 24-hour economy policy should be designed to achieve sustainable, long-term development rather than short-term gains that might compromise future economic prospects. This theoretical insight supports a gradual, well-planned implementation approach that allows for adequate infrastructure development and workforce adaptation. The model also highlights the importance of technological spillovers and human capital accumulation in sustaining growth. As Ghana implements 24-hour operations, the resulting technological adoption and skills development could generate positive externalities that enhance the country's long-term economic trajectory, potentially positioning it to leapfrog certain stages of development and compete more effectively in global markets.

Lessons from Established 24-Hour Economy Policies

The global experience with 24-hour economy policies reveals diverse approaches, terminologies, and outcomes across developed nations. Understanding these international models provides valuable insights for Ghana's policy development and implementation strategy.

Terminology and Definitional Variations

International terminology reflects distinct policy priorities and cultural backgrounds. The United Kingdom defines "night-time economy" as all activities between 6pm-6am, contributing £93.7 billion (4.1% of GDP) and employing 8.7 million workers (ONS, 2022; UK Night Time Industries Association, 2024). Australia's "24-hour economy" focuses on continuous productivity optimisation, whilst European cities favour "evening economy" focusing on cultural and entertainment activities. China's "night-time economy" (夜间经济) has experienced explosive growth with 197 policies implemented in 2020 alone, supported through comprehensive measurement frameworks (China Tourism Academy, 2024; Lin et al., 2022). These definitional differences matter profoundly for policy design. The 6pm-6am timeframe captures evening dining and entertainment, whilst 24/7 concepts encompass manufacturing, healthcare, and essential services. Ghana's proposed definition encompasses infrastructure adjustments supporting round-the-clock operations across multiple sectors, representing a comprehensive approach aligned with economic development goals similar to Australia's model but tailored to Ghana's developmental needs (NDC, 2024).

New South Wales: Global Leadership in 24-Hour Economy Governance

New South Wales Australia has established the world's most comprehensive 24-hour economy framework through its refreshed 2024 strategy. Michael Rodrigues serves as the world's first state-level 24-Hour Economy Commissioner, supported

through dedicated legislation including the 2023-2024 Vibrancy Reforms Acts. The strategy has generated measurable results: NSW's night-time economy is valued at \$102 billion annually, employing one in five workers statewide, with Sydney specifically contributing \$4.7 billion through 5,900 businesses (NSW Government, 2024). The NSW model's sophistication includes the Data After Dark platform for evidence-based decision making, Purple Flag Accreditation for night-time area assessment, and 38 funded Districts through the Uptown District Acceleration Program. This comprehensive approach demonstrates how dedicated governance structures can coordinate complex stakeholder interests whilst driving measurable economic outcomes. Ghana can draw lessons from NSW's institutional framework, particularly the establishment of dedicated leadership positions and evidence-based monitoring systems that could be adapted to Ghana's governmental structure through the proposed Accelerated Export Development Authority chaired through the President (NDC, 2024).

European Innovations in Night Economy Governance

European cities have pioneered governance innovations that have spread globally. Amsterdam's night mayor model, established informally in 2003 and institutionalised in 2014, has been adopted through over 45 cities worldwide (Seijas & Gelders, 2021). Under the first night mayor Mirik Milan (2014-2016), Amsterdam achieved a 25% decrease in alcohol-related incidents and 28% reduction in noise complaints. Berlin's approach highlights cultural recognition, with techno culture achieving UNESCO Intangible Cultural Heritage status in 2024. This provides enhanced protection for venues and access to government funding, recognising clubs as cultural institutions rather than mere entertainment venues. Berlin's creative industries contribute approximately 20% of the city's GDP with over 160,000 creative workers (Lange & Bürkner, 2008). London's comprehensive framework includes the Night Czar position, £6 million Nightlife Prosperity Fund, and integration across all 33 boroughs. However, challenges persist with over 3,000 pubs and clubs closed since March 2020 and ongoing vulnerability among night-time cultural workers, 38.5% of whom are low-paid (Greater London Authority, 2023). Ghana's Creative Arts Fund revival and "Black Star Experience" cultural programming could benefit from Berlin's cultural recognition model, potentially positioning Ghana's cultural assets as economic drivers within the 24-hour economy framework (NDC, 2024).

North American Formal Governance Models

New York City leads North American innovation through its Mayor's Office of Nightlife, generating \$35.1 billion annually with 299,000 jobs across 25,000+ establishments (NYC Mayor's Office of Media and Entertainment, 2024). The office provides free mediation, regulatory navigation, and mental health resources whilst implementing the innovative CURE Program, replacing disruptive enforcement with engagement-first approaches. Toronto adopted a comprehensive Night Economy Framework in December 2023, implementing bylaw changes

effective January 2025. With an estimated \$4.2 billion economic output supporting over 300,000 jobs, Toronto's approach prioritises non-alcohol-centred activities and community safety (City of Toronto, 2023). These North American models demonstrate the importance of dedicated institutional structures, which aligns with Ghana's proposal to restructure the Ministry of Employment and Labour Relations to provide policy and technical support to Metropolitan, Municipal, and District Assemblies in incorporating job creation into their medium-term plans and budgets (NDC, 2024).

Policy Failures and Lessons

International experiences also reveal costly consequences of poor implementation. Sydney's lockout laws (2014-2021) provide the starkest example of policy failure, causing over \$16 billion in economic losses and 418 venue closures in targeted areas (Rowe & Stevenson, 2017). The laws were ultimately reversed after demonstrating that restrictive approaches displace rather than eliminate problems, with 17% increases in assaults in adjacent areas. Melbourne's abandoned lockout trial (2008) failed within three months after actually increasing violence during its first weekend, leading to 10,000-person protests and complete policy reversal (Miller et al., 2015). These failures demonstrate that over-restrictive policies can undermine rather than support 24-hour economy development. Ghana's approach of creating enabling environments rather than restrictive frameworks, including tax incentives, financing support, security services, and cheaper reliable power through Time-of-Use tariffs, appears better aligned with successful international models (NDC, 2024).

Key Industries: Sectors with High Growth Potential

The 24-hour economy offers abundant opportunities for several sectors with significant growth potential. International experience demonstrates that success depends on identifying and supporting industries best positioned to benefit from extended operating hours.

Ghana's 24-Hour Economy Policy specifically targets agro-processing, manufacturing, pharmaceuticals, construction, financial services, extractive industries, sanitation and waste management, hospitality industry, retail centres, transportation services, health services, and security services (NDC, 2024). This comprehensive sectoral approach aligns with international best practices whilst addressing Ghana's specific economic structure and development needs.

The travel and hospitality sector represents one of the most promising opportunities. Round-the-clock operations through hotels, resorts, and travel agencies can significantly improve service delivery and accommodate visitors from different time zones (World Tourism Organization, 2023). Extended business hours in major cities and popular tourist locations contribute to increased foreign exchange earnings, job creation, and improved overall visitor experiences. Ghana's

"Black Star Experience" initiative, designed as a flagship Culture, Arts, and Tourism brand, could particularly benefit from 24-hour operations through year-round celebrations of entertainment, artistic, and educational disciplines (NDC, 2024). Research indicates that night markets, street food vendors, entertainment events, and cultural festivals exemplify the thriving cultural and economic activity that frequently characterises night-time urban areas (Yatmo, 2009; Roberts & Turner, 2005).

Manufacturing represents a sector with substantial potential for Ghana's 24-hour economy. Ghana's proposed policy includes specific support for agro-processing factories and manufacturing companies through financing support from the Ghana Exim Bank to boost production for import substitution and exports (NDC, 2024). The policy also includes plans to establish agro-industrial zones in all regions based on their comparative advantage, mini-processing plants for cassava, tomatoes, fruits, and other commodities, and cocoa processing factories in cocoa-growing regions. This manufacturing focus aligns with successful international models where continuous operations increase output and attract capital investments, resulting in substantial employment increases.

Digital services and information and communication technology (ICT) represent another sector with substantial growth potential. Round-the-clock operations allow tech hubs, digital service companies, and support centres to serve clients across time zones as a result of the global movement towards remote work and digital engagement (Innovation, Science and Economic Development Canada, 2023). Ghana's Digital Jobs Initiative, planning to create 300,000 employment opportunities for youth in partnership with local tech start-ups and businesses, specifically supports this sector through establishing ICT parks across the country to make Ghana the hub for innovation, artificial intelligence, and cybersecurity in Africa (NDC, 2024). The One Million Coders Programme aims to train one million young Ghanaians in digital skills, empowering them to thrive in Business Process Outsourcing and Knowledge Process Outsourcing sectors. Continuous work cycles, which boost responsiveness and productivity, particularly benefit data centres, cybersecurity operations, and software development companies.

The healthcare industry proves equally important, particularly emergency and specialist medical services that require continuous operation. Patient wait times can be reduced, a broader range of medical and support jobs can be created, and health infrastructure can be improved through a 24-hour economy (Institute for Healthcare Improvement, 2023; Byrne et al., 2011). Ghana's health sector reforms include establishing market and transport station clinics to provide basic healthcare services for traders, passengers, drivers, and the general public, alongside upgrading school sickbays into satellite clinics managed through health professionals in all boarding schools for quality 24-hour healthcare (NDC, 2024). These improvements

contribute substantially to national resilience and general wellbeing, especially during crises such as pandemics or natural disasters.

Transportation and logistics industries serve as vital enablers. Industries that depend on time-sensitive delivery systems are directly supported through reliable 24-hour public transportation, freight handling, and cargo logistics, which guarantee smooth supply chains. Ghana's transport strategy includes deploying a centralised transit control system for all modes to operate on fixed routes and schedules, including buses, light rail transit, metro, regional rail, and related systems (NDC, 2024). The policy also includes plans to make Ghana the aviation hub of ECOWAS for passengers and freight through developing aviation refuelling depots for the region and establishing certified Maintenance Repairs and Overhaul Stations.

Recent studies indicate that 24-hour economy policies offer significant potential for Micro and Small Enterprises (MSEs), particularly in urban settings. In a survey of MSEs in Nairobi County, Ondimu (2024) discovered that more than 63% of businesses implementing longer workdays experienced productivity increases, with many expanding their workforces. The majority mentioned security, labour scheduling, and limited demand as obstacles, indicating that this transition depends on infrastructure improvements and enabling policy support. Ghana's approach addresses these challenges through comprehensive support packages including tax incentives, financing support, security services, and cheaper reliable power through Time-of-Use tariffs for participating businesses (NDC, 2024). MSEs in Ghana's retail, hospitality, and transportation sectors are similarly positioned to drive urban economic growth if provided appropriate backing.

Industries with High Demand Potential

Certain industries demonstrate high potential for consumer demand in a 24-hour economy, complementing sectors with growth potential. This transformation is led through retail and consumer goods industries, particularly in cities where people desire unrestricted access to everyday items. Convenience stores, supermarkets, and online retailers that meet these demands could anticipate increased business, especially if they continue providing flexible and extended hours.

Ghana's retail sector development includes plans to establish modern markets in the six newly created regions and support the redevelopment of the Abossey Okai, Suame and Cape Coast Artisanal enclaves (NDC, 2024). The "Made in Ghana Agenda" will leverage government spending power to prioritise procurement of made-in-Ghana goods and services through deliberate policy, whilst public education campaigns will re-orientate citizens to patronise made-in-Ghana products. According to Rönkä et al. (2018), services in retail, hospitality, and early childhood education sectors adapt through managing fluctuations in customer demand and staff scheduling. Furthermore, as Coleman (1995) noted, businesses

operating around the clock, such as banking, insurance, and transportation, increase productivity and reduce operating costs.

Ghana's financial services modernisation supports 24-hour operations through promoting fintech innovation and establishing regulatory frameworks that enable financial technology companies to operate continuously (NDC, 2024). The establishment of a Women's Development Bank to support women-owned and women-led businesses with low-interest loans and tailored financial services on flexible terms demonstrates how sector-specific institutions can support 24-hour economy development. The "24-Hour Knowledge Factory" concept proposed through Gupta (2009) highlights potential efficiency benefits in knowledge-intensive fields such as accounting, law, and design through dispersed international teams, which aligns with Ghana's digital economy acceleration plans.

The food and beverage sector will also benefit significantly. Night markets, cafes, restaurants, and mobile food vendors may all thrive with appropriate regulatory support, policy backing, and safety measures. These businesses provide job opportunities to diverse populations whilst promoting local cuisine and cultural diversity. Ghana's agriculture-to-market development includes plans to modernise markets in key towns and establish modern fish harbours, landing sites and market complexes with smoking, processing, and storage facilities in major fishing communities (NDC, 2024). High demand exists for 24-hour content consumption in media and entertainment industries, driven primarily through younger generations (Nielsen, 2024). Digital streaming services, movie theatres, music venues, and content production companies are well-positioned to benefit from this trend and support a thriving creative economy.

Ghana's creative industry development includes plans to revive the Creative Arts Fund, introduce "Cultural Villages" to showcase Ghana's diverse culture, and partner with stakeholders to position Ghana's film industry among Africa's top three producers (NDC, 2024). The establishment of film villages with equipment for hire at low rates, rehabilitation of the National Theatre in Accra, and plans to build a second National Theatre in Kumasi demonstrate comprehensive support for creative industries. Additionally, research indicates that visitors are frequently more attracted to nightly emotional and cognitive experiences than purely utilitarian or practical benefits. Affective and cognitive experiences become more enticing due to the distinct atmosphere of nocturnal settings, which elicit deeper emotional reactions and imagination (Shaw, 2014; Veronica et al., 2020).

Finally, public services and utilities including energy, water, internet, and sanitation must also adapt to maintain continuous operations. A healthy 24-hour economy depends on these services, which must adjust to meet new demand peaks and usage cycles. Ghana's infrastructure development plans include comprehensive energy sector management, modernised water supply systems, and digital infrastructure

expansion to support 24-hour operations (NDC, 2024). The LIGHT UP GHANA Project specifically supports the 24-hour Economy through resuming universal street lighting programmes and using indigenous engineering firms to develop street lighting infrastructure.

Key Challenges

Whilst a 24-hour economy offers numerous opportunities, successful implementation depends on resolving several important issues. International experience reveals common challenges that developing economies like Ghana must anticipate and address proactively.

Since criminal activity typically increases at night, security concerns remain paramount. Businesses and consumers alike require reassurance through enhanced policing, effective lighting, and robust surveillance systems to guarantee safety after dark (Newton & Hirschfield, 2009). Ghana's security strategy addresses these concerns through developing a comprehensive security and safety programme to support the implementation of the 24-Hour Economy Policy, including enhanced police presence and patrols in neighbourhoods and public spaces (NDC, 2024). The policy includes plans to create an atmosphere of safety and security through a public-private security architecture, disbanding all militias and vigilante groups, and expanding community-based crime prevention programmes focusing on high-crime areas.

Infrastructure limitations represent another significant barrier. Poor road systems, erratic electrical supply, and inadequate public transportation can seriously hinder continuous urban economic activity. Addressing these deficiencies requires long-term, strategic investments in infrastructure development (World Bank, 2024). Ghana's infrastructure development plans include a US\$10 billion accelerated infrastructural plan to drive job creation, completing uncompleted and abandoned government infrastructure projects, and comprehensive reforms for equitable, efficient, and transparent land management (NDC, 2024). The energy sector strategy includes implementing an energy transition strategy that augments thermal and hydro power production with nuclear and other renewable energy sources, upgrading and modernising the National Inter-Connected Transmission System, and ensuring massive investments in the distribution sector to enhance capacity and improve technical and operational efficiency.

Furthermore, labour laws and employee welfare become fundamental concerns in a 24-hour economy. Working late shifts may compromise employee productivity, safety, and health (Presser, 2003; Brachet et al., 2012). Therefore, amending labour regulations becomes necessary to allow flexible work schedules whilst maintaining sufficient rest periods, fair compensation, and secure working conditions. Ghana's labour reform strategy includes passing an Employment Act outlining the roles and responsibilities of public and private actors in creating employment, ratifying the

ILO Transition of Employment Convention to protect workers against exploitation and arbitrary dismissals, and reviewing the Factories, Offices, and Shops Act for effective regulation of occupational health and safety in modern workplaces (NDC, 2024).

Cultural and religious perspectives can also create resistance, particularly in societies where night-time business is considered inappropriate or immoral. To foster awareness and support, inclusive stakeholder engagement and persistent public education initiatives prove essential (Saetren, 2005). Ghana's approach includes comprehensive community engagement strategies and addresses cultural concerns through establishing Islamic morgues at major hospitals for early retrieval and burial of corpses according to Islamic customs, and ensuring that the policy is implemented to fit Ghana's unique cultural, economic, and social situation (NDC, 2024).

Additionally, economic inequality may increase. Urban centres are more likely to benefit from the strategy, potentially leaving rural and peri-urban areas behind. Preventing escalating regional imbalances requires a balanced and inclusive implementation approach that considers diverse capacities and needs of different geographic zones. Ghana addresses this through plans to establish Agro-Industrial Zones in all regions based on their comparative advantage, create Farm Banks within agriculture zones to ease access to land and irrigation facilities, and implement rural youth empowerment programmes (NDC, 2024). The policy also includes upgrading selected municipalities into metropolises and assessing eligible districts for municipality status to ensure balanced development.

Labour laws must also be reexamined. Longer workdays can increase stress and fatigue, reducing productivity. To minimise burnout and optimise employee wellbeing in a 24/7 work culture, firms need to implement flexible and supportive workplace arrangements, as noted through Faiz et al. (2019). Ghana's labour productivity strategy includes implementing workplace excellence programmes in the public sector as part of a nationwide campaign aimed at transforming work ethics and attitudes towards productivity, alongside providing free basic digital literacy courses in all districts (NDC, 2024).

International examples illustrate these challenges clearly. London faces ongoing venue closures despite economic contributions, whilst infrastructure challenges appear consistently across cities. Night transport systems struggle to balance 24-hour service with essential maintenance requirements. Community opposition emerges when policies prioritise economic development over resident welfare, leading to noise complaints, property value concerns, and social tensions. Ghana's comprehensive approach attempts to address these issues proactively through balanced implementation strategies that consider both economic development and community welfare.

Policy Recommendations

Implementation of a strategic policy framework becomes necessary to fully realise a 24-hour economy's potential. International best practices provide guidance for developing comprehensive approaches that balance economic opportunities with social sustainability.

Governments must prioritise investing in urban infrastructure to enable safe and effective round-the-clock operations, including intelligent transportation systems, improved road networks, reliable power supplies, and modern street lighting (World Bank, 2024; OECD, 2024). Ghana's infrastructure investment strategy aligns with these recommendations through its comprehensive National Infrastructure Development Programme, which includes systematic construction of drainage systems, expansion of water distribution networks, and development of modern waste recycling facilities for both solid and liquid waste in all regions (NDC, 2024).

Stable and affordable energy supply forms the backbone of any successful 24-hour economy. Ghana should invest in diversified energy generation including renewable sources such as solar and wind power to ensure consistent electricity availability. Smart grid technologies can optimise energy distribution during peak and off-peak hours, reducing costs for businesses operating extended hours. Additionally, improved urban lighting systems with LED technology and smart controls can enhance safety while reducing energy consumption, making night-time operations more viable and secure. Ghana's energy strategy specifically addresses these needs through implementing an energy transition strategy that incorporates renewable energy sources, optimising economic and environmental sustainability of the thermal sector, and eliminating power wastage through public education and revised building codes (NDC, 2024).

The financial sector requires significant modernisation to support 24-hour economic activities. Ghana should promote fintech innovation through regulatory sandboxes that allow financial technology companies to test new products and services. Mobile money platforms, digital banking services, and contactless payment systems become essential for businesses operating outside traditional banking hours. Government should establish partnerships with fintech companies to develop 24/7 payment processing capabilities, automated lending platforms for small businesses, and digital financial inclusion programmes. These innovations will enable seamless financial transactions during extended business hours and support the growth of micro and small enterprises in the night-time economy. Ghana's financial modernisation plans include establishing a \$50 million FinTech Growth Fund to promote digital entrepreneurs and support indigenous FinTech companies, alongside establishing regulatory frameworks for digital banks and non-interest banking (NDC, 2024).

Security measures must be enhanced through improved night-time policing and monitoring technologies in high-risk locations. Legal changes that protect night workers and provide fair compensation, safety standards, and burnout prevention must be implemented alongside these initiatives (International Labour Organization, 2023). Ghana's security enhancement strategy includes establishing two additional modern forensic laboratories, creating a nationwide community police programme, and investing in ICT infrastructure, training, modern equipment, mobility, and other logistics to support intelligence gathering and enhance national safety (NDC, 2024).

Additionally, particularly in culturally sensitive areas, public awareness campaigns should highlight 24-hour economy benefits to encourage broader social support and reduce opposition. Supporting small and medium-sized businesses (SMEs) and startups proves equally essential. Business incubation programmes, tax incentives, and financial assistance can encourage businesses to adopt 24/7 business models. Ghana's SME support strategy includes establishing the "Adwumawura Programme" to facilitate the creation, tracking, and mentoring of a minimum of 10,000 businesses annually, alongside creating a National Employment Trust to manage investment funds that operate professionally on market principles (NDC, 2024).

Targeted assistance for micro and small businesses remains vital. Based on research conducted in Nairobi, Ondimu (2024) suggests customised policies including tax breaks, streamlined licensing for extended hours, subsidised night-time utilities, and public-private partnerships to jointly fund security and infrastructure requirements. A similar strategy would enable MSEs in Ghana to fully benefit from the 24-hour economy model, especially in high-density commercial zones. Ghana's approach includes scrapping various taxes within the first 100 days in office to alleviate hardships and ease the high cost of doing business, including E-levy, COVID levy, 10% levy on bet winnings, emissions levy and import duty on vehicles and equipment imported for industrial and agricultural purposes (NDC, 2024).

Government should promote investment in digital technologies that improve digital service delivery and remote operations. Collaborating with technology companies to foster innovation will accelerate the development of intelligent solutions suited to 24-hour economy requirements. Ghana's digital advancement strategy includes launching the One Million Coders Programme to train one million young Ghanaians in digital skills, establishing ICT centres in underserved areas, and facilitating the expansion of broadband infrastructure to make high-speed broadband internet services affordable and widely available (NDC, 2024).

International experience suggests several additional recommendations. Phased implementation approaches prove more successful than immediate full liberalisation (Pressman & Wildavsky, 1984). Data-driven decision making through

monitoring platforms enables continuous improvement and evidence-based policy adjustment. Multi-stakeholder governance through advisory councils and industry representation ensures policies address real needs whilst maintaining community support (Bryson et al., 2006). Ghana's implementation approach incorporates these lessons through its phased strategy, establishment of an Accelerated Export Development Authority chaired through the President, and comprehensive stakeholder engagement including organized labour, the Association of Ghana Industries, and other stakeholders (NDC, 2024).

Conclusion

Emerging markets stand to gain significantly from adopting 24-hour economy policies in terms of job creation, productivity gains, and long-term economic growth. Policymakers can unlock unrealised potential of both urban and rural economies through concentrating on high-growth and high-demand industries such as retail, ICT, tourism, and healthcare. To make this vision reality, significant obstacles relating to infrastructure, security, worker welfare, and social acceptance must be addressed. International experience demonstrates both tremendous potential and significant risks associated with 24-hour economy policies. Success requires comprehensive approaches combining strong governance, strategic infrastructure investment, flexible regulation, and meaningful community engagement. Policy failures teach expensive lessons about costs of over-restriction or inadequate preparation. For Ghana and similar emerging economies, the path forward involves careful adaptation of international best practices to local situations, resource constraints, and development priorities.

Ghana's National Democratic Congress has articulated a comprehensive framework that addresses many of the challenges identified in international experiences. The policy's integration across Ministries, Departments, and Agencies, combined with specific sector targeting and substantial infrastructure investment plans, provides a solid foundation for implementation. The establishment of dedicated institutions such as the Accelerated Export Development Authority and comprehensive support packages for businesses demonstrate sophisticated policy design that learns from global best practices.

Phased implementation starting with pilot programmes in major urban centres can build experience whilst limiting risks. Strong governance structures with dedicated leadership and cross-departmental authority provide essential coordination, whilst community engagement and benefit-sharing build social licence necessary for sustained policy success. Ghana's approach of creating enabling environments rather than restrictive frameworks, supported through substantial infrastructure investment and comprehensive stakeholder engagement, appears well-positioned to avoid the pitfalls that have undermined night economy development elsewhere. Long-term national growth, social inclusion, and global competitiveness might all be accelerated through a 24-hour economy via well-planned implementation

strategy and inclusive governance. Countries that approach implementation strategically, learning from both successes and failures documented globally, position themselves to capture substantial economic benefits whilst avoiding costly mistakes that have undermined night economy development elsewhere. Ghana's comprehensive policy framework, if implemented with the dedication and resources outlined in the National Democratic Congress manifesto, could serve as a model for other emerging economies seeking to harness the potential of 24-hour economic development.

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CHAPTER 7

EXAMINING THE THREATS IN INTELLIGENCE GATHERING AND THE FIGHT AGAINST VIOLENT EXTREMISM IN GHANA

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Abstract

Ghana's pursuit of stability is increasingly tested by the evolving threats of violent extremism and terrorism, where intelligence gathering stands at the frontline of national defense. This study critically examines the complexities confronting Ghana's security and justice administration, highlighting institutional, operational, and legislative dimensions in the fight against extremism. Drawing on Ghana's National Security Strategy (2020) and recent legal frameworks, including ACT 1030 and ACT 1040, the analysis underscores both the promise and the vulnerabilities of the country's counter-terrorism architecture. It argues that effective resilience lies not only in legislative scaffolding but also in fostering coordinated intelligence systems, adaptive policy, and civic trust. Ultimately, Ghana's security trajectory offers crucial insights into balancing vigilance with democratic governance in volatile environments.

Keywords: Violent Extremism, Terrorism, Intelligence Gathering, Security and Justice, Ghana.

Introduction

Ghana's security and justice administration stand as twin pillars of national resilience, tasked with preserving stability and protecting citizens from an expanding constellation of threats. In a turbulent regional environment where violent extremism and terrorism increasingly transcend borders, Ghana finds itself at a critical juncture. While the nation has long been viewed as an island of peace in West Africa, the specter of violent extremism is no longer a distant abstraction as looming realities are envisioned. Neighboring states across the Sahel, including Burkina Faso, Mali, and Niger have witnessed devastating insurgencies by jihadist groups whose influence steadily bleeds southward, threatening to engulf Ghana's northern frontiers. It is within this precarious context that Ghana's intelligence system assumes paramount importance, as effective intelligence gathering represents a technical function of governance as well as the heartbeat of national security.

As section two of Ghana's National Security Strategy 2020 comprehensively illustrates, the spectrum of threats confronting the state ranges from domestic vulnerabilities to globalized challenges that blur traditional security boundaries (Dambre, 2025). Yet, among these myriad threats, the menace of terrorism and violent extremism towers with profound urgency, demanding vigilance, adaptability, and decisive countermeasures. The study of Darkwah (2023) opines that the infiltration of jihadist ideologies, cross-border insurgencies, and radicalization pathways pose existential dangers not only to national cohesion but also to democratic governance. Consequently, the state's capacity to anticipate, intercept, and neutralize such threats depends significantly on the effectiveness of its security institutions, their legislative scaffolding, and the coordination of their intelligence systems.

Recognizing the gravity of these dangers, Prah & Chanimbe (2021) underscored that Ghana has undertaken important legislative reforms to reinforce its defense and intelligence framework. The enactment of the Security and Intelligence Agencies Act, 2020 (ACT 1030), alongside the National Signals Bureau Act, 2020 (ACT 1040), reflects a deliberate attempt to modernize intelligence operations while simultaneously strengthening the institutional backbone required for combating extremism (Obuobi, 2024). These legal frameworks are not mere symbolic gestures but carefully designed instruments that authorize, regulate, and empower agencies to execute intelligence operations effectively within the ambit of legal accountability. Indeed, they constitute the foundation upon which intelligence gathering, risk assessment, and counter-terrorism interventions are anchored. In this respect, Ghana's response mirrors a growing global recognition that without strong legislative underpinnings, intelligence practices risk descending into inefficiency, illegality, or fragmentation.

Nevertheless, the reality remains complex given the fact that despite these bold initiatives, structural and operational gaps persist, often undermining the very efficacy these laws seek to secure. The study of Cann (2023) underscores on how intelligence gathering in Ghana is challenged by limited technological capacity, bureaucratic overlaps, political interference, and weak inter-agency coordination. In a climate where jihadist groups exploit porous borders, under-governed spaces, and socioeconomic grievances, such weaknesses may compromise early-warning systems and delay preventive interventions (Dan Suleiman, 2023). It is within this intricate intersection of opportunity and vulnerability that the present study situates itself, asking a critical question: *What are the prevailing threats to intelligence gathering in Ghana, and how do these impede the nation's broader fight against violent extremism?*

The objective and significance of this research are inseparably linked. At its core, the study aims to critically examine the institutional, operational, and technological barriers that constrain effective intelligence gathering, while simultaneously

assessing how these gaps weaken Ghana's counter-terrorism capacity in the face of rising jihadist activities across the Sahel. In doing so, it highlights the strengths and shortcomings of Ghana's legislative frameworks, particularly ACT 1030 and ACT 1040, probing whether they genuinely strengthen intelligence effectiveness or inadvertently reproduce inefficiencies. By interrogating these issues, the study makes a significant contribution to policy and practice, offering context-specific recommendations that can enhance intelligence efficiency, foster inter-agency collaboration, and build trust between security institutions and citizens. The study's significance is further underscored by Ghana's precarious geographic and geopolitical position. As jihadist incursions intensify across the Sahel (Aubyn, 2021), Ghana's northern borders are increasingly vulnerable to infiltration. Intelligence reports already suggest attempts by extremist groups to exploit local grievances, recruit vulnerable youth, and establish logistical networks in border communities (Dan Suleiman, 2023). Against this backdrop, strengthening intelligence gathering is not a bureaucratic luxury but a national survival imperative. As established by Aja (2023), failures in intelligence across West Africa have repeatedly preceded catastrophic terrorist attacks, undermining public confidence and eroding state legitimacy.

Moreover, the implications of Ghana's resilience transcend national boundaries. As a regional diplomatic hub and a founding member of ECOWAS, Ghana occupies a critical role in shaping collective security across West Africa (Bassey et al., 2024). Prah & Chanimbe (2021) identifies that its ability to withstand extremist threats strengthens its own stability and the credibility of regional security architectures such as the Accra Initiative. Conversely, Mensah et al. (2025) establishes that intelligence weaknesses in Ghana could create dangerous ripple effects, destabilizing the sub-region and providing extremists with new corridors of influence. Thus, the study holds significance not only for Ghana's national security but also for regional and international stability.

While legislative reforms offer a necessary scaffolding, their success depends on how effectively they translate into operational realities (Darko, (2024). Transitional perspectives highlight the need to examine whether these frameworks are genuinely implemented without political interference, resource bottlenecks, or institutional rivalries that dilute their impact. Crucially, Fagbemi et al. (2024) shows that intelligence gathering must be recognized as a technical process that is dependent on surveillance, risk analysis, and data integration and a social process built on legitimacy and trust. Communities at the grassroots level often provide the first signals of radicalization or extremist infiltration. Yet, when citizens perceive security agencies as coercive, partisan, or disconnected, this trust erodes, creating blind spots that extremists exploit. Therefore, the study's significance lies equally in advocating for intelligence systems that respect human rights and build civic confidence as it does in strengthening operational mechanisms.

Globally, Ross (2024) underscores that the fight against terrorism underscores a recurring truth as intelligence failures are often the precursor to catastrophic security breakdowns. Whether in the September 11 attacks in the United States or the insurgencies that destabilized Mali and Burkina Faso, inadequate information sharing, weak inter-agency coordination, and institutional fragmentation have repeatedly allowed extremists to outmaneuver states (Nguyen et al., 2024). Ghana must avoid such pitfalls by ensuring its intelligence systems are not only robust but also accountable, transparent, and firmly anchored in democratic governance.

In the light of the above, Kuyini Mohammed (2023) demonstrates that Ghana's experience reflects a broader dilemma confronting many African democracies on how to safeguard citizens against transnational threats without undermining democratic freedoms. The balance between vigilance and accountability is delicate, yet essential. Intelligence agencies that operate outside the law risk delegitimizing the very state they seek to protect. Conversely, those constrained by inefficiency or political manipulation risk leaving citizens exposed to extremist violence (Gondwe, 2025). This study therefore argues that Ghana's future security lies in expanding intelligence agencies while refining their ability to act with precision, coordination, and legitimacy.

Literature Review

Conceptual Foundations

Intelligence gathering, in its most elemental sense, refers to the systematic collection, processing, and analysis of information that informs decision-making in security and governance (Miller, 2021). In the Ghanaian context, Nweke & Francis (2024) demonstrates how intelligence gathering transcends the operational task of data collection to embody a vital state instrument for pre-empting and neutralizing existential threats, particularly those posed by violent extremism. Violent extremism itself has been conceptually framed not merely as an ideological deviation but as a deliberate, organized use of violence to advance political, religious, or sectarian goals (Obiagu, 2024). Within West Africa, the menace has acquired heightened resonance due to the activities of jihadist groups migrating southwards from the Sahel, thereby posing imminent risks to relatively stable nations like Ghana (Darkwah, 2023).

The conceptual debate surrounding violent extremism emphasizes its multidimensionality. While some scholars like Babatunde et al., (2021) and Abdul-Razak et al., (2025) interpret it primarily through a security lens, others underscore its socio-economic undercurrents, pointing to poverty, marginalization, and governance deficits as fertile grounds for radicalization (Mensah, 2024). This duality renders intelligence gathering not just a technical function of surveillance but also a socio-political instrument of governance. The ability to identify early warning signals, map radicalization pathways, and decode extremist propaganda

becomes central to safeguarding Ghana's internal security. Thus, intelligence is not confined to the clandestine corridors of security agencies but also involves community-driven mechanisms that bridge the gap between state and society (Temprano, 2024).

Conceptually, Ghana's challenge lies in balancing the imperatives of security with the preservation of democratic norms and civil liberties. The enactment of the Security and Intelligence Agencies Act (Act 1030) and the National Signals Bureau Act (Act 1040) provides the legal scaffolding, yet these instruments also ignite debates about the potential overreach of state power (Tuffour & Adjanor, 2024). The discourse illustrates the inherent tension between strengthening intelligence infrastructure and avoiding a securitized state that undermines human rights. At this conceptual intersection, the fight against violent extremism becomes a test of resilience, legitimacy, and governance capacity.

Theoretical Underpinnings

The study of intelligence gathering and violent extremism in Ghana is best illuminated through carefully chosen theoretical lenses that bridges security practice with socio-political realities. Two frameworks stand out in particular, that is the securitization theory and resilience theory.

Securitization theory, as developed by Buzan et al. (1998), highlights how issues become framed as existential threats requiring extraordinary measures. In Ghana, violent extremism has been deliberately securitized through official narratives, policy frameworks, and legislative reforms such as the Security and Intelligence Agencies Act, 2020 (Act 1030) and the National Signals Bureau Act, 2020 (Act 1040). These legal instruments exemplify securitization in practice: political elites construct extremism as a fundamental danger to national survival, thereby legitimizing the expansion of intelligence powers and resource allocation. This framing not only structures public discourse but also shapes institutional behavior, ensuring intelligence gathering remains at the forefront of counter-terrorism strategies. Yet, securitization also raises tensions with justice administration and civil liberties, demanding careful balancing between vigilance and democratic accountability.

Resilience theory, articulated by Holling (2001), offers a complementary and forward-looking perspective. It shifts focus from mere containment of threats to the adaptive capacity of states, institutions, and societies. In Ghana, resilience is cultivated through robust intelligence systems that anticipate extremist incursions, empower communities to resist radical ideologies, and sustain cohesion in the face of external pressures, particularly from jihadist groups advancing from the Sahel. Intelligence gathering here is not only defensive but anticipatory, embedding resilience within the fabric of national security. It enables Ghana to withstand

shocks, recover quickly, and integrate counter-extremism into broader development and governance agendas.

Together, securitization and resilience theories produce a powerful analytical framework. They capture how Ghana frames violent extremism as an existential crisis, while also underscoring the necessity of adaptive capacity to ensure long-term stability. This dual perspective situates intelligence gathering as both a legitimized security imperative and a cornerstone of sustainable national resilience against terrorism.

Empirical Perspectives

Empirical research across Africa underscores the magnitude of challenges facing states in harnessing intelligence to combat violent extremism. The studies of John (2022) and Walther-Puri (2025) reveals that West African nations have become the epicenter of jihadist incursions, with Burkina Faso, Mali, and Niger experiencing relentless attacks that have spilled across borders into coastal states. In Ghana, while no major attack has yet occurred, intelligence reports highlight attempted infiltrations and recruitment activities along the northern frontier, particularly in border regions such as Bawku and Bolgatanga (Gyimah, 2023). These realities illustrate the empirical necessity for vigilance and pre-emptive intelligence strategies.

Research on Ghana's institutional responses reveals a mixed record in accordance with the studies of Tetteh et al. (2021) and Sefa-Nyarko (2022). The establishment of the National Counter Terrorism Centre and the enhancement of intelligence agencies under Acts 1030 and 1040 demonstrate political will, yet structural limitations persist. Empirical studies like the studies of Ikeanyibe et al. (2023); Arumede & Edwin (2024) and Olowonihi & Musa (2024), all show that inter-agency rivalry, inadequate technological capacity, and limited resources undermine intelligence coordination. Moreover, civil society reports caution against the securitization drift, noting that excessive surveillance risks alienating communities whose cooperation is vital for intelligence gathering (Yimer & Subaşı 2024).

Empirical studies from Kenya provide instructive lessons. For instance, the study of Jirásek (2023) illustrates that despite substantial investment in counter-terrorism, Kenya has struggled with intelligence failures leading to attacks such as the Westgate Mall siege and Garissa University massacre. Analysts attribute these lapses to institutional fragmentation, corruption, and the alienation of marginalized communities, which weaken the flow of actionable intelligence. These experiences resonate with Ghana, where community trust remains a decisive factor in detecting extremist threats before they metastasize (Ndinda, 2025).

In Nigeria, the fight against Boko Haram offers sobering empirical evidence of the consequences of weak intelligence capacity. Poor coordination between military

and intelligence agencies, compounded by political interference, enabled the insurgency to expand unchecked for years (Egbuta, 2024). Ghana's proximity to Nigeria accentuates the urgency of learning from these failures, particularly in ensuring that intelligence remains professional, depoliticized, and community-anchored.

Southern Africa offers contrasting insights. Putter (2025), for instance, illustrates how South Africa's intelligence framework, though relatively sophisticated, has grappled with credibility crises linked to politicization and corruption. This highlights a cautionary lesson for Ghana: legal frameworks alone cannot guarantee effective intelligence; institutional culture and accountability mechanisms are equally critical.

In empirical terms, Ghana's intelligence infrastructure faces five pressing challenges. First, porous borders create vulnerabilities that extremist groups exploit for movement and recruitment (Prah & Chanimbe, 2021). Second, limited technological capacity hampers real-time surveillance and analysis, leaving gaps in detecting cross-border communications. Third, inter-agency fragmentation dilutes the efficacy of intelligence-sharing mechanisms. Fourth, political pressures risk undermining the professionalism and independence of intelligence agencies. Finally, the socio-economic fragility of border communities creates fertile ground for extremist infiltration. Nevertheless, there are grounds for cautious optimism as the study of Haafiz (2021) further establishes that Ghana's proactive legislative reforms, combined with community engagement initiatives such as the "See Something, Say Something" campaign, have fostered public awareness and enhanced resilience. These initiatives reflect a growing recognition that intelligence is not merely the purview of state actors but a shared responsibility involving citizens, civil society, and local governance structures.

The literature reveals a convergence around the recognition that intelligence gathering is indispensable to countering violent extremism, yet it also exposes significant gaps. Conceptually, intelligence in Ghana remains under-theorized beyond the security domain, with limited attention to its socio-political and developmental dimensions. Theoretically, while securitization and resilience frameworks offer useful insights, there is limited integration of these perspectives into a comprehensive analytical model tailored to Ghana's context. Empirically, the scarcity of Ghana-specific studies leaves much of the discourse extrapolated from broader West African experiences, underscoring the need for focused research that captures the peculiarities of Ghana's institutional frameworks, community dynamics, and legislative environment.

In the light of the empirical review here, this study seeks to fill these gaps by examining the threats inherent in intelligence gathering and counter-extremism efforts in Ghana. By situating Ghana within the broader West African security

landscape while foregrounding its unique legislative and institutional trajectory, the research provides a nuanced understanding of how intelligence can be strengthened to safeguard national security in an era of rising jihadist threats.

Understanding the Threats of Violent Extremism and Terrorism

Violent extremism and terrorism constitute multidimensional challenges that deeply permeate Ghana's security architecture, threatening both national stability and socio-economic development (Khalil & Dawson, 2023). Recent years have witnessed an alarming expansion of extremist influence, particularly from jihadist groups such as Jama'at Nusrat al-Islam wal-Muslimin (JNIM) and the Islamic State in the Greater Sahara (ISGS). Operating largely from the Sahel, these groups exploit porous borders, weak state presence, and community grievances to extend their reach southward, placing Ghana firmly within the trajectory of their violent expansion (Borum, 2023). Their strategies include recruiting disaffected youth, weaponizing religious ideologies, and capitalizing on local grievances, thereby nurturing environments conducive to radicalization and insurgency.

The transnational character of these threats magnifies Ghana's vulnerabilities. Border regions in the north, particularly those adjacent to Burkina Faso, have become gateways for cross-border incursions, illicit trafficking, and recruitment networks. This reality illustrates how Ghana's security challenges are inseparable from wider regional instability, underscoring the urgency of robust defensive and adaptive strategies (Gartenstein-Ross et al., 2023).

Here, securitization theory provides a useful lens to interpret Ghana's evolving response. By framing violent extremism as an existential threat, the state has mobilized public legitimacy and enacted legislative instruments such as the Security and Intelligence Agencies Act (Act 1030) and the National Signals Bureau Act (Act 1040). These measures expand intelligence mandates and institutionalize counter-terrorism as a matter of national survival, thus reflecting the securitization of extremist threats. Yet securitization alone is insufficient without embedding resilience.

Resilience theory complements this narrative by emphasizing the adaptive capacity of states and societies to withstand and recover from extremist shocks (Holling, 2001). For Ghana, resilience is cultivated through intelligence-led strategies that not only disrupt terrorist networks but also empower communities, strengthen inter-agency coordination, and foster regional cooperation. By merging securitization's urgency with resilience's adaptability, Ghana is better positioned to confront jihadist threats while safeguarding democratic governance and long-term stability. Ultimately, the convergence of these two theoretical perspectives underscores a central truth: violent extremism in Ghana is not merely a technical security problem, but a test of institutional legitimacy, social cohesion, and national resilience in the face of evolving terrorist networks.

Methodology

This study adopts a qualitative research design, rooted in interpretivist philosophy, to unravel the complexities of intelligence gathering and the fight against violent extremism in Ghana. Through in-depth literature review, policy review, and border community leaders, coupled with document analysis of legislative frameworks, intelligence reports, and counter-terrorism strategies, the study captures nuanced perspectives often hidden in quantitative accounts. Thematic analysis is employed to trace patterns of institutional strengths, operational gaps, and resilience mechanisms. This approach illuminates the lived realities of intelligence work while situating Ghana's counter-extremism strategies within the broader West African dynamics.

Role of Intelligence Agencies in Countering Violent Extremism and Terrorism

Ghana's intelligence agencies remain the vanguard of national defense, occupying the frontline in the battle against violent extremism and terrorism (Ateku & Owusu-Mensah, 2023). Their role is not only technical but existential, as the state increasingly confronts the mounting threat from jihadist groups such as Jama'at Nusrat al-Islam wal-Muslimin (JNIM) and the Islamic State in the Greater Sahara (ISGS). These groups, entrenched in Burkina Faso and Mali, have staged over 800 attacks across the Sahel in 2022 alone, claiming more than 4,000 lives (Mynster Christensen, 2023). With Ghana's northern frontier sharing porous borders with Burkina Faso, the spillover risk is acute, making intelligence work indispensable for national survival.

Anchored in the Security and Intelligence Agencies Act, 2020 (Act 1030), Ghana's intelligence system is empowered with the legal mandate and operational latitude to monitor, detect, and counter extremist operations. Through surveillance technologies, communication interceptions, and human intelligence networks, agencies gather actionable data on the covert strategies of jihadist cells. More importantly, Act 1030 institutionalizes inter-agency collaboration, ensuring that intelligence gathered by the National Intelligence Bureau, the Defence Intelligence, and the National Signals Bureau is systematically shared and analyzed for rapid response (Cann, 2023).

Here, securitization theory illuminates how intelligence agencies operate within a national discourse that frames violent extremism as an existential threat requiring extraordinary countermeasures. By securitizing the jihadist menace, Ghana legitimizes enhanced surveillance powers and resource allocation to intelligence operations. Yet, securitization alone cannot guarantee long-term security.

Resilience theory complements this by underscoring the importance of adaptability and community-centered responses (Holling, 2001). Ghana's intelligence agencies thus integrate resilience into their strategy by fostering local vigilance groups, engaging border communities, and building regional partnerships within ECOWAS

and the Accra Initiative. These efforts enhance societal capacity to withstand extremist infiltration while reinforcing institutional agility in the face of rapidly evolving threats.

Together, securitization and resilience provide a dual lens through which Ghana's intelligence agencies transform from mere information collectors into strategic defenders of national stability. By intertwining urgency with adaptability, they ensure that the state is not only shielded against extremist incursions but also strengthened to endure and recover from them.

Cooperation with Regional and Global Partners

Given the transnational nature of violent extremism, Ghana acknowledges that no single nation can stand resilient in isolation. The surge of jihadist groups such as Jama'at Nasr al-Islam wal Muslimin (JNIM) and the Islamic State in the Greater Sahara (ISGS) from the Sahel has created an expanding arc of instability. According to ECOWAS (2024), over 7,000 deaths from extremist attacks were recorded in West Africa between 2022 and 2023, underscoring the urgent need for collective defense mechanisms. Ghana, though yet to suffer large-scale attacks, remains highly vulnerable due to porous borders and growing extremist propaganda infiltrating northern communities.

The National Signals Bureau Act, 2020 (ACT 1040) provides the scaffolding for robust intelligence sharing with regional and global partners, thereby ensuring early detection of cross-border militant movements (Kalu, 2023). Here, securitization theory illuminates how violent extremism is framed as an existential threat, legitimizing extraordinary measures such as expanded intelligence cooperation. Simultaneously, the intelligence cycle theory reveals how systematic processes of collection, analysis, and dissemination must extend beyond national borders to be effective, particularly when confronting jihadist groups skilled at exploiting weak state linkages.

Through joint operations, situational awareness is amplified, enabling Ghana to not only deter infiltration but also anticipate emerging threats. Thus, regional collaboration transforms intelligence into a collective shield, weaving national resilience into the broader security fabric of West Africa. Ultimately, Ghana's intelligence agencies stand as both custodians of national security and pillars of transnational solidarity in the war against violent extremism.

Preventive Measures and Community Engagement

In addition to intelligence gathering and law enforcement efforts, Ghana emphasizes preventive measures and community engagement as essential components of its counter-terrorism strategy. By fostering trust and collaboration between security agencies and local communities, Ghana seeks to identify early warning signs of radicalization and extremism, address underlying grievances, and

promote resilience against extremist ideologies (Schumicky-Logan & Alves Dos Reis, 2023). Community outreach programs, religious dialogue initiatives, and youth empowerment projects are some of the strategies employed to prevent radicalization and promote social cohesion.

Conclusion and Recommendations

Ultimately, this study is both urgent and transformative speaks directly to Ghana's contemporary struggle against violent extremism and provides insights that resonate across the continent. By examining the threats in intelligence gathering and their implications for counter-terrorism, the study illuminates pathways for strengthening resilience in an increasingly volatile environment. The convergence of its objectives and significance rests in one simple truth, in that without effective, legitimate, and coordinated intelligence systems, Ghana's fight against violent extremism will remain vulnerable. But with them, the nation can safeguard its people, preserve its democracy, and stand as a bulwark of stability in West Africa's turbulent security landscape.

Finally, the performance of Ghana's intelligence agencies and the broader security and justice administration is essential for countering the threats of violent extremism and terrorism outlined in Chapter Two of Ghana's National Security Strategy 2020. Through effective intelligence gathering, regional cooperation, community engagement, and legal frameworks, Ghana is better positioned to mitigate these risks and safeguard its citizens' safety and well-being. However, addressing the root causes of extremism, promoting inclusive governance, and addressing socio-economic disparities remain long-term challenges that require sustained efforts and collaboration across sectors. By building resilient communities, enhancing institutional capacities, and fostering international partnerships, Ghana can confront the evolving threats of violent extremism and terrorism and contribute to regional stability and global security. To effectively combat violent extremism and terrorism, it is recommended for Ghana to continue to strengthen its legal and institutional frameworks to address emerging threats and challenges. The Security and Intelligence Agencies Act, 2020 (ACT 1030) and the National Signals Bureau Act, 2020 (ACT 1040) provide legal mandates and operational guidelines for intelligence agencies to conduct their functions within the boundaries of the rule of law and respect for human rights (Mensah, 2023). These legislative frameworks ensure accountability, transparency, and oversight in the conduct of intelligence activities, thereby safeguarding against abuses of power and ensuring respect for civil liberties.

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CHAPTER 8

PAN-AFRICANISM IN J. E. CASELY HAYFORD'S *ETHIOPIA UNBOUND*: PATHWAYS TO AFRICAN RENAISSANCE AND SUSTAINABLE FUTURES

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Abstract

J. E. Casely Hayford's *Ethiopia Unbound* is an indispensable text for understanding the philosophical roots of Pan-Africanism. Through portraying Kwamankra's intellectual growth and ideological clashes with European missionaries and colonial officers, this novel presents African intellectuals' reflection and resistance against the early-20th-century colonial rule, and expounds Hayford's Pan-Africanist vision of African renaissance and sustainable futures through 5 pathways: reshaping African personality, reclaiming religious philosophy, regaining cultural confidence, redesigning national education, and ultimately, reuniting black communities. Although inevitably limited to its personal background and historical context, Hayford's ideology continues to inspire contemporary Pan-African visions and practices.

Keywords: J. E. Casely Hayford; *Ethiopia Unbound*; Pan-Africanism; African Renaissance; Pathways

Introduction

J. E. Casely Hayford (Joseph Ephraim Casely Hayford) was a Ghanaian writer, lawyer, journalist and statesman who led a pioneering voice in African literature and Pan-Africanism. Dedicating his life to African liberation and national independence, he was acclaimed to be "the most prominent nationalist leader and thinker in the Gold Coast and British West Africa during the 1920s" (Zhang Zhongmin, 1995: 59).

His masterpiece "*Ethiopia Unbound: Studies in Race Emancipation*" (1969, shortened as *Ethiopia Unbound* hereafter) is structured as a series of philosophical dialogues, essays, and allegorical tales. The story centers on Kwamankra's intellectual growth, showing his clashes with European missionaries, colonial rulers and other African thinkers. As a representative of African elites, Kwamankra's interactions with these people reveal African elites' critical reassessment of colonial rules and their aspiration to establish national independence. Through the fictional "African League", this novel advocates unity

of continental Africans and black diaspora to resist colonial hegemony in a nonviolent way. Integrating fiction, philosophy, and political discourse, it effectively challenges Eurocentric narrative and advocates for Africa's autonomy and renaissance. Therefore, it is widely recognized as one of the first English novels written by African writers "exploring themes such as Pan-African unity, cultural pride, and the intellectual decolonization of Africa, and having a profound impact on later leaders such as Kwame Nkrumah" (Ugonna, 1977, p.164) and "one of the earliest attempts to fictionalize the concept of African personality, which was central to Pan-Africanist thought" (p.169). Osei-Nyame argues "it combines cultural revival, political strategy, and spiritual decolonization, becoming an indispensable text for understanding the philosophical roots of Pan-Africanism" (1999, p.151-152).

In light of the above, through textual analysis, historical contextualization, and comparative literary interpretation, this study explores Hayford's pathways to his Pan-Africanist vision articulated in *Ethiopia Unbound* and its contemporary significance.

Literature Review

International Research

Prior to the 1960s, scholars striving to articulate the essence of African nationality and to construct the ideological foundations of Pan-Africanism engaged deeply with themes of land rights, indigenous jurisprudence, and customary governance structures. For example, J. B. Daquah (1928) focused on Akim Abuakwa State, and analyzed Akan people's legal, customary, and constitutional structures in the Gold Coast, thus expanding this state's social structure. These endeavors contributed to the preservation and protection of African cultural heritage, and created the possibility to construct Pan-African unity.

After the 1960s, most African countries completed their independent revolutions, and Pan-Africanism achieved modest success. Thus, scholars continued to delve into the meaning and extension of Pan-Africanism. Daquah (1968) studied the religious, ethical, and cultural beliefs of the Akan people in the Gold Coast and questioned Western scholars' misconceptions about the monotheistic Akan religion, which should not be called "fetishism". Ahuma (1971) conducted a comprehensive study on the national identity, consciousness, and development of the Gold Coast, emphasizing its racial unity. He called on restoring African cultural heritage and striving for collective progress. These studies helped black peoples to gain a deeper understanding of African cultural connotations and further promote African unity.

However, Pan-Africanism also encountered problems on its development path. The ideals of the sixth Pan-African Congress did not fully realize, and the concept of "African socialism" didn't match reality. Nevertheless, Rathbene (1995) argued

that the ideal of Pan-Africanism still existed. For instance, the establishment of African Unity was one of its achievements. Simultaneously, Africans still exhibited a strong sense of “African personality” and Pan-Africanism.

Since the 21st century, Pan-Africanism has continued to play an important role in African development issues, attracting scholars to reflect on its enduring impact in the world. Hensbroek (2017) discussed how Pan-Africanism could be transformed into a global vision for national development. This transformation prompted renowned African leaders such as Nkrumah, Nyerere, Kaunda, and Sangor to develop a “national ideological philosophy” for planning national construction projects that were linked to the specific values and social practices of indigenous peoples. Mungwini (2017) combined Pan-Africanism with Southern epistemology, emphasizing the need for Africa to promote the decolonization of knowledge and establish epistemology based on its own history. Magu (2023) focused on the development and influence of the Regional Economic Communities (RECs), which was the cornerstone of the African Union’s continental integration agenda. He noted that while the members of the RECs have not achieved significant growth in trade or other traditional benefits, it has produced substantial non-trade advantages, such as reducing conflicts, facilitating peaceful intervention and preventing coups and wars among member states.

It is noteworthy that there are also some voices questioning the effectiveness of Pan-Africanism today. Dieng (2022) observes that traditional Pan-Africanism gradually became limited to the African continent after African countries gained independence, ignoring the black diaspora, especially Afro-Europeans. He proposed the concept of “Afro-European Pan-Africanism”, which represents a new connection and movement between African and European youths to combat racial discrimination and establish political identity. This concept is an extension of traditional Pan-Africanism theories. Oduro and Shibaike (2025) studied the relationship between African non-governmental organizations and the African Union (AU), pointing out that the AU has limitations and opacity in accepting non-governmental organizations, tends to choose organizations that have close relationships with the government, and fails to promote new voices from civil society.

Chinese Research

With the continuous deepening and expansion of China-Africa cooperation relations, scholars in China have increasingly added attention to the theory and practice of Pan-Africanism, leading to a growing body of related research.

Among them, part of the domestic research on Pan-Africanism primarily focuses on the development of its history and impact. Tang Dadun (1981) provided a detailed overview of the development of Pan-Africanism. He pointed out that early Pan-Africanism advocated racial identity and opposed racism. Later, it shifted its

focus to Africa, promoting the independence and unity of African countries. After the establishment of African Unity, Pan-Africanists adopted pragmatic adjustments, expanding the functions of “African unity” by advocating comprehensive diplomacy and strengthening alliances with developing countries.

Some other scholars have conducted extensive research on the characteristics and influence of early Pan-Africanism movements. In the 18th and 19th centuries, early Pan-Africanism emerged, mainly to resist the slave trade, colonialism, racial discrimination and oppression faced by black peoples under the capitalist world system. Shu Yunguo (2014) argued that early Pan-Africanism originated in America, with overseas movements as the center and African diaspora as main forces, while the participation and influence of local Africans were limited. In addition, Lu Ruili and Yan Jian (2023) observed that 18th-century Pan-Africanism triggered movements such as abolitionism, the African Church Movement, and the Return to Africa Movement, which were influenced by the Christian Church and led by African expatriates, representing the collective struggle of the black race. During this period, the focus of Pan-Africanism was mainly on refuting racism and restoring the dignity and confidence of black peoples.

Recent scholars have continued their attention to the sustained influence of Pan-Africanism on Africa’s development pathways. Liu Haifang (2022) observed that African countries, under the coordination of the African Union, have jointly responded to multiple crises and actively explored their own development pathways, extending Pan-Africanism. Zhang Chun (2024) maintained the launch of the second decade implementation plan of Agenda 2063 by the African Union marks a new stage of Pan-Africanism. New Pan-Africanism, led by Africa middle powers, focuses on cultivating economic resilience and enhancing strategic autonomy, which will bring new opportunities for modernization in Africa.

However, it is worth noting that although Chinese scholars have conducted extensive researches on the development and influence of Pan-Africanism, their researches on Hayford and *Ethiopia Unbound* are still relatively limited.

The existing researches mainly focus on Hayford’s personal contributions and the strategies proposed in his works to resist European cultural invasion. Zhang Zhongmin (1995) comprehensively analyzed Hayford’s pivotal role in the West African nationalist movement, establishing him as a pioneer in early Pan-Africanism. Zhu Zhenwu and Han Wenting (2017) contextualized the literary significance of Hayford’s *Ethiopia Unbound*. When discussing the literary lineage of Nigeria, they identified Hayford’s works as the foundational text of African English literature, emphasizing the milestone position of this novel in the decolonization process of African literature. Moreover, Zhu Zhenwu and Xue Danyan (2020) maintained that in *Ethiopia Unbound*, Hayford compared the similarities and complementarity between African civilization and European

civilization, criticizing cultural monism, and satirizing the hypocrisy of colonizers in religion and politics.

By comprehensively reviewing the research literature on Pan-Africanism, J. E. Casely Hayford and *Ethiopia Unbound*, it can be seen that although international scholars have conducted in-depth research on Pan-Africanism and its applications from various aspects, Chinese research related to *Ethiopia Unbound* is relatively scarce and unsystematic. This shortfall has inspired this study to bolster the domestic research landscape and address these deficiencies.

Research Methodology

The methodology combines textual analysis, comparative analysis and historical contextualization to uncover Hayford's Pan-Africanism in *Ethiopia Unbound*.

Central to this inquiry is a close reading of the novel whose thematic elements such as cultural identity, religious autonomy, educational reform, and diasporic unity are identified through detailed attention to dialogue, symbolism, and character development. Figures such as Kwamankra and Whitely are analyzed as representations of broader ideological conflicts between African self-determination and colonial hegemony.

Comparative analysis of Hayford's concepts, such as "African personality" and educational sovereignty, are situated within the wider Pan-African intellectual tradition, including works by thinkers like Edward Blyden and W. E. B. Du Bois.

By situating *Ethiopia Unbound* within the socio-political context of the early 20th-century Gold Coast, the study highlights how Hayford responded to colonial education, missionary activities, and cultural imperialism through his literary output.

Through integrating these methods, the study offers a comprehensive examination of how *Ethiopia Unbound* serves as a visionary project for Pan-African renewal, which continues to resonate in today's pathways toward African renaissance and sustainable futures.

Analysis of Hayford's Pan-Africanism in *Ethiopia Unbound*

This section elaborates on 5 pathways to Hayford's Pan-African vision in *Ethiopia Unbound*: reshaping Africa personality, reclaiming religious philosophy, regaining cultural confidence, redesigning national education, and ultimately, reuniting black communities.

Reshaping African Personality

African personality, a core concept in Pan-Africanism, refers to "the collective identity and political consciousness forged by African peoples through anti-colonial

struggles” (Ugonna, 1977; p.160). In *Ethiopia Unbound*, Hayford argues that black peoples must leverage their unique strengths and preserve the distinct personality embedded in their culture to transcend a subjugated racial status, compelling white societies to respect and recognize their humanity. As Hayford asserts in the novel:

But he can see to it that as the years go by it becomes a matter of necessity for the American whites to respect and admire his manhood; and the surest way to the one or the other lies not so much in imitation as in originality and natural initiative. (1969; p. 101)

Generally speaking, Hayford does not oppose learning from Western cultural achievements, but he urges Africans to critically engage with such influences while fiercely protecting their own personality. He warns that every race, nation, and people possess irreplaceable uniqueness, and ignoring these traits is to invite self-destruction.

To reconstruct African personality, Hayford emphasized the preservation of traditional attire and indigenous languages as foundational steps.

Firstly, Africans should preserve their unique traditional dress customs, which serves as a concentrated external manifestation of national identity. Drawing from a global perspective, Hayford points to Japan as a successful example. The Japanese have selectively adopted Western culture while consciously retaining their traditional attire. Though they may wear Western suits for practicality, Japanese individuals in Europe often retain subtle ethnic markers in their dress, which has strengthened their collective consciousness and national pride. Japanese students in London, spotting someone in unmistakably traditional garments, would feel “a thrill of oriental pride” (p. 101). In stark contrast, under colonial influence, Africa suffers from cultural erosion, leaving Africans adrift in a borrowed identity. This condition is mocked by the European colonizers:

How extraordinary is the spectacle of this huge race — millions of men — without land or language of their own, without traditions of the country they came from, bearing the very names of the men that enslaved them! (p. 101-102)

Kwamankra, the protagonist of *Ethiopia Unbound*, sets a powerful example by proudly wearing traditional African costume during his meetings with foreign missionaries, who “agreed that it was appropriate” (p. 109). Through Kwamankra’s practice, Hayford articulates that educated West Africans must act as cultural ambassadors, leading reforms to revive traditional customs and culture as the foundation for building a distinctive national identity. Meanwhile, the novel demonstrates how this elite-led “sartorial renaissance” gradually earns the respect

and admiration of the colonizers. For instance, a journalist covering the coronation of Chief Ababio IV remarks:

For the first time I realized that the Gold Coast would be more exhilarating and enjoyable indeed if the educated inhabitants in it would hark back to the times of old and take a few lessons in the art and grace of the sartorial simplicity and elegance of their forebears. The “scholars” looked quite noble and full of dignity in the native dress. There was not one ignoble or mean person among them, and so for the matter of that did the ladies. (p. 103)

Secondly, in articulating his vision for reshaping African personality, Hayford emphasizes reclaiming indigenous linguistic heritage. He firstly delves into the distinctive linguistic features of African languages, highlighting their unique morphological systems. The Fanti native language is arguably richer in poetic sensibility and better reflects the Fanti people’s philosophical understanding of God. In the novel, Kwamankra’s friend Whitely, a missionary-in-training, expresses doubts about the nature of Jesus. Kwamankra then turns to Fanti linguistics, and demonstrates how the English term “God” remains semantically ambiguous, whereas the Fanti language precisely articulates the divinity of Jesus. In Fanti language, the word for God is “Nyiakrpon”, which can be decomposed morphologically into “Nyia nuku ara oye pon”, meaning “He who alone is great” in English. Moreover, the Fanti word “Nyami” (great) derives from “Nyia oye emi” (He who is Iam), and this formulation remarkably parallels the Hebrew designation for Yahweh. This linguistic analysis reveals how Fanti language connects human thought with cosmic wisdom, a connection English fails to capture. Kwamankra culminates this exposition with a traditional Fanti verse:

Wana si onyi Nyami se?
Dasayi wo ho inde, okyina na onyi ho
Nyami firi tsitsi kaisi odumankuma. (p. 5)
Who dares claim equality with God?
Man exists today, vanishes tomorrow,
I am endures from eternity to eternity.

These linguistic embodiment of wisdom testifies Fanti grasps eternal truths more profoundly than their Western colonizers could comprehend.

After analyzing the distinctive linguistic features of African languages, Hayford proposes concrete measures to preserve and promote indigenous African languages. For the black diaspora, Kwamankra advocates establishing “Ethiopia Leagues” in America so that African intellectuals abroad can “study and employ Fanti, Yoruba, Hausa, or other standard African language, in daily use.” (p. 103). Besides, as a faculty member of Mfantsipim National University dedicated to cultivating future leaders, Kwamankra insists that indigenous languages must form the backbone of

national education. Under his influence, the institution adopted a policy where most curricular content is taught in native African language. Local writers and publishers also rise to the occasion, diligently translating foreign classics into Fanti, as the following quotation shows:

Several textbooks of known authority had, with the kind permission of authors and publishers, been translated into Fanti, thereby making the progress of the student rapid and sound. (p.10)

Reclaiming Religious Philosophy

It was by no means an uncommon strategy for colonial powers to deploy religion as a subtle instrument of domination—using faith as a means to assimilate the colonized and secure governance through ostensibly peaceful means. While many were lulled by the spiritual façade of colonial benevolence, Hayford discerned and unmasked these deceptions, exposing the underlying motives of subjugation and sounding an early call for Africa’s awakening. In *Ethiopia Unbound*, by comparing foreign Christianity with African indigenous religious beliefs, Hayford condemns the hypocrisy of the colonial interpretations of Christianity and affirms the superiority and rationality of African indigenous religious beliefs. By this way, he seeks to resist cultural imperialism, redefine African religious identity, and foster cultural confidence to unite African peoples.

Firstly, Hayford aims to deconstruct the hypocritical facade of white Christianity. He points out that the practice of white Christianity is, in effect, a kind of cultural dictatorship. More precisely, in the Christian concept of white people, they believe that only their own race can possess culture, knowledge and civilization, and that the white race is inherently endowed with the right to survive and thrive, while other races are bound to decline. This ideology is manifested in Kwamankra’s lesson to his son Ekra Kwow about the “Yellow Peril” and “Black Peril”, which are racist terms used to legitimize colonial plunder. Colonizers, Kwamankra explains, claim to have the privileges given by God to intrude other countries while granting themselves moral legitimacy: “Why should they live—Fate has writ large its doom for them. Land for the whites! Let the black fellows die!” (p. 70). However, there are also some enlightened intellectuals that see through the true intention of the colonizers and dare to call on their own race to preserve their unique style and system. In response, colonizers quickly vilify these voices of justice by labeling them the “educated native peril”, which is designed to crack solidarity among African communities. Thus, Hayford hereby reveals that only by unwavering Pan-African unity can the continent resist this cultural onslaught.

To further deconstruct white Christianity, Hayford infuses metaphors into the characters in the novel, comparing the hypocritical nature of colonizers with the simplicity and nobility of African people. Reverend Silas Whitely, the embodiment of colonial Christianity, is a self-serving clergyman who not only defends racial

segregation but also submits Christian ethics to West African colonial policies. For Whitely, Christian ministry is just a tool for accumulating wealth and maintain social status, and he chooses to become a reverend on the Gold Coast only for a better life. During his tenure as a priest on the Gold Coast, Whitely rules with arrogance and pettiness, similar to all colonizers. He is idle all day long, yet enjoys a generous salary. In contrast, his African assistant, Kwaw Baidu, labors tirelessly for meager pay. The relationship between the two is actually a microcosm of foreign colonizers and oppressed people in Africa.

When the colonizers decided to segregate the cemeteries between the black and the white, the conflict between Baidu and Whitely intensified. Colonizers acted arrogantly and unreasonably, plundering the living resources of indigenous residents and imposing heavy taxes on the natives. In order to highlight the superiority of the white race, they even ordered that black and white cemeteries must be separated, with the white cemeteries decorated with beautiful fences and built with funds looted from black people. Solely for questioning the legitimacy of the cemetery segregation policy, Baidu was persecuted and dismissed by Whitely. This incident implies that foreign colonizers are attempting to oppress the African people and extract benefits under the guise of universal salvation.

In stark contrast to Whitely stands Kwamankra, embodying the essence of African indigenous religious philosophy. Unlike the hypocritical Whitely, he is endowed with noble virtues of wisdom and magnanimity. It is noteworthy that in *Ethiopia Unbound*, Kwamankra emerges as a messianic figure who is divinely ordained to guide his people in resisting colonial cultural imperialism while offering them philosophical enlightenment. Kwamankra's celestial journey can test this point. After five years of marriage, his beloved wife Mansa perishes in childbirth. Overwhelmed by grief and worn down by years of tireless work, Kwamankra is gripped by a grave illness. As he hovers between life and death during surgery, his soul ascends to the divine realm.

There, Mansa, now a goddess, reveals to him the core tenet of African spirituality: "Love is of God, and God is love" (p. 32). God's divine mission, she explains, is to "suppress evil, nurture goodness, and let it flourish" (p.35). Meanwhile, the palace where God resides "has truth for foundation, love for superstructure, and childlike trust as its pinnacle" (p.35). Kwamankra, by virtue of his noble character, is chosen by God. Upon completing his sacred mission of leading the African people to liberation, he will become a god in heaven and dwell eternally in the celestial palace with his family. In essence, Kwamankra's celestial experience reflects the profound, distinctive virtues of Africa's indigenous faith, which pursues eternal truth, love and trust.

Taken together, through comparison, Hayford deconstructs the colonial religious system and calls on African peoples to return to their native religious beliefs, which

helps reclaiming indigenous religious philosophy and enhancing unity of the black race.

Regaining Cultural Confidence

To achieve Pan-African unity, Hayford also emphasizes the necessity of cultivating cultural confidence and cultural equality. In *Ethiopia Unbound*, he systematically deconstructs the colonial myth of civilizational superiority while reasserting the legitimacy of African heritage. Moreover, Hayford deliberately parallels African civilization with the grandeur of ancient Greece. By reasserting timeless virtues within Africa's cultural systems, he lays a foundation of cultural confidence for Pan-Africanism.

Hayford first criticizes the idea among European Christians that only they carry God's mission and are harbored by God. Through Kwamankra, he challenges the very idea of "heathenism", arguing that no religious group holds the authority to label others as "heathens". Through careful examination, Kwamankra argues that the Eastern and Western philosophies are both widely intertwined with universal explorations of humanity and divinity, as he argues that:

I have studied our own Eastern systems and compared them with the system you Westerns have adopted, and find that one broad divinity as well as humanity runs through them all. (p.18)

Hayford thus points out that the Christian self-centered worldview is shortsighted and not superior than other main religious faith.

Secondly, in order to build Pan-African cultural confidence, Hayford attempts to find commonalities between the widely acclaimed great Greek civilization and African civilization. In *Ethiopia Unbound*, Kwamankra tells his son that the stories in Homer's *Odyssey* "reflected the every-day life of their own people" (p.118) and further analyzes the similarities between Greek and African civilizations. In *Odyssey*, Nausicaa, although revered as a princess, washes her own wedding garments, which echoes in Africa traditional customs. Moreover, similarities can also be found in the etiquette of hospitality at the banquets. For example, the attendants would first pour water on the guests' hands, and then the guests would be served with meat and drinks. All of these demonstrate that ancient Greeks, like the Fanti people, possess an innate simplicity.

Kwamankra continues to compare the similarities between Greek and Fanti theological beliefs. For instance, Niakrapon, the supreme Fanti deity, parallels Zeus, while the Abusum of the Fanti people resembles a minor Greek god. Besides, the Fanti belief in "the Abusum in an odoom" aligns with the Greek concept of the "oracle of the god in the midst of an oak tree" (p.119). Moreover, both theological

beliefs are full of humanistic colors, where gods can freely communicate with mortals.

By these comparisons, Hayford awakens African people to their own cultural brilliance, proving that African civilization, rather than an inferior civilization propagated by the colonizers, radiates with its own majesty.

Hayford also advocates for the cooperation between white culture and black culture based on cultural equality. His goal is to forge a framework of mutual respect and trust, as captured in his words: “The black races had at length learnt to run along their own natural lines of development, and the white needed the black and the black needed the white” (p.121).

Redesigning National Education

To realize his vision of African Renaissance, Hayford regards education as the core tool of African national rejuvenation, advocating for the establishment of an Africa-centered national education system, the lifeblood of Pan-African resistance against colonial control.

The novel first questions the rationality of the Western education system with Whitely as an example. Whitely receives colonial education from a young age. Following the planned path, he studies theology at university and is ordained as a clergyman after graduation. However, he constantly remains passive and lacking critical thinking ability during all of his conversations with Kwamankra, who, in contrast, achieves self-enlightenment by reflecting on the African oral tradition and indigenous philosophy. Compared with Kwamankra, Whitely seemed extremely timid and reluctant to reveal his own opinions: “Oh, I don’t know. Habits of thought, convention, and all that sort of thing, I suppose. And yet I am hardly qualified to speak upon these things” (p.6). This stark contrast exposes the fatal flaw of colonial education system, which cultivates obedience rather than confidence.

To achieve education autonomy, Hayford highlights the need to establish Africa-centered educational system for the spiritual liberation of the black race. In *Ethiopia Unbound*, this vision is epitomized by Mfantsipim National University. Black intellectuals of insight realize that the way out to save the Africans is through education and that the way to produce promising youths is to first establish a university that can produce well-trained teachers. Therefore, these enthusiastic pioneers go around raising funds, enhancing the collective awareness of constructing national education system based on original African culture and customs. This advocacy is enthusiastically responded by the African citizens. Thus, Mfantsipim National University is established against the backdrop of great expectations of the folk. As a member of the faculty of the university, Kwamankra proposes profound initiative in the design of the university’s institutions. He

emphasizes that the university system must be adapted to the advancement of the society and the unique African nationality. Therefore, he prioritizes native language teaching in almost all of the curricula. Under his influence, a large number of scholars devote themselves into the translation of authoritative foreign classics, and translation became the specialty of this university.

While deeply grounded in local culture, the institution also embraces global collaboration. It is affiliated with the University of London and has partnerships with the best educational institutions in Japan, the United Kingdom, Germany and the United States of America, which has led to a thorough training of its teachers.

Generally speaking, Mfantshipim National University can be regarded as an intellectual hub of Pan-Africanism, where Pan-Africanists worldwide collaborates to reignite Africa's indigenous culture and reasserting education autonomy.

Besides Mfantshipim National University, Kwamankra also envisages the establishment of another national university on the outskirts of Kumasi, which he plans to turn into a world-class university that will attract international scholars to showcase African national identity. In this university, he proposes to establish a degree in world history, with a special emphasis on Ethiopia's contribution to the world. Meanwhile, the university will be an academic center for African scholars to correct current misconceptions about Africa so that the voice of Africa can be raised in the colonial-centered academia. Besides, similar to Mfantshipim National University, African national languages are equally emphasized in this institution. Through the study of their native languages such as Fanti, Hausa and Yoruba, students would be better equipped with the ability to naturally realize the preservation and development of African indigenous culture. Besides, as an international academic platform, the national university would also welcome students from the United States, the West Indies, Sierra Leone, Liberia, and beyond, fostering cross-cultural exchange on equal mindset.

By proposing these innovative initiatives, Hayford aims to embed African traditions deeply into national education system, cultivating a new generation of Ethiopians — “an unspoilt son of the tropics, nursed in a tropical atmosphere, favourable to the growth of national life” (p. 115).

Reuniting Black Communities

Pan-Africanism seeks to forge collective consciousness among global black communities by embracing their shared heritage and experiences. This vision of unity combats colonial domination while painting a blueprint for the future of Africa. In *Ethiopia Unbound*, Hayford finds two obstacles to this ideal, namely, the identity struggles of the black diaspora and Africa's internal divisions. Thus, he argues that since black people share common destiny, they should work together to enhance the common voice of the black race on the global stage.

To reunite black diasporas, Hayford noted the identity dilemma of blacks abroad and specifically mentions the “double consciousness” of the black peoples proposed by W. E. B. Du Bois in his work *The Souls of the Black Folk*, which refers to the pain of “always seeing yourself through others’ eyes, judging your worth by a world that watches with scorn or pity” (p. 106). This double consciousness constantly torments the black peoples abroad: they are both American and black. These two hostile mindsets of the black diasporas have led to their incapacity to recognize their own identity.

Therefore, to shatter this diaspora dilemma, Hayford insists overseas blacks must reclaim their ancestral traditions and institutions to secure their place among world civilizations while preserving racial distinctiveness. In *Ethiopia Unbound*, Kwamankra’s Hampton address spotlights Edward Wilmot Blyden, the Pan-Africanist pioneer of African personality studies, and celebrates that Blyden’s works transcend borders to address continental struggles. By setting Blyden as an example, Kwamankra urges the diasporas to follow Blyden’s lead: “Return to your ancestors’ traditions. Hold tight to your customs. Only then can you stand tall among the nations of the world” (p. 98).

As for the continental Africans, Hayford emphasizes the need to strengthen exchanges and cooperation among various ethnic groups in Africa. He writes:

The East, for example, can take lessons from the West in the adoption of a sound educational policy, the kind of industrial and technical training which would enable aboriginals to make the best use of their lands and natural resources. And, surely, the West ought not to be averse to taking hints from the East as regards the preservation of national institutions, and the adoption of distinctive garbs and names, much as obtains among our friends the Japanese. (p. 101)

At its core, Hayford’s Pan-Africanist thoughts highlight Pan-African unity. He points out African diaspora overseas and the indigenous peoples of various ethnic groups on the African continent originate from the great tribes in West Africa and thus are united in blood and clan. Therefore, all black peoples should support one another to jointly develop Africa and strive for a higher political status for their own race.

In essence, in *Ethiopia Unbound*, Hayford outlines a complete pathway to achieve Pan-African unity. He profoundly points out that black liberation needs to break two shackles at the same time, namely the external colonial rule and the internal spiritual bondage. To this end, blacks overseas should recover their self-identity through the revitalization of their cultural traditions, while blacks in Africa should promote mutual exchanges and cooperation to learn from each other. Actually, Pan-

African unity is not only a shared aspiration of all black peoples, but also an important foundation for Africa's sustainable futures.

Conclusion

As an important product of early 20th-century anti-colonial struggles in Africa, J. E. Casely Hayford's *Ethiopia Unbound* is an indispensable text for understanding the philosophical roots of Pan-Africanism. Through portraying Kwamankra's intellectual growth and ideological clashes with European missionaries and colonial officers, this novel presents African intellectuals' reflection of and resistance against the early-20th-century colonial rule, and expounds Hayford's Pan-Africanist vision of African renaissance and sustainable futures through 5 pathways: reshaping African personality, reclaiming religious philosophy, regaining cultural confidence, redesigning national education, and ultimately, reuniting black communities.

Within the colonial background, his visions stood out for its innovation and insight. However, there are also two limitations shaped by his own experience and historical context. One is an elitist tendency that overlooks the practical needs of the marginalized grassroots, the other is insufficient attention to Africa's economic independence, socio-economic liberation and renaissance. Therefore, it can be said that this work not only reflects the inherent tension of early Pan-Africanist movements, but also provides historical reference for examining the developmental challenges of post-colonial Africa.

Nevertheless, although inevitably limited to personal experience and historical background, Hayford's Pan-Africanist thoughts articulated in *Ethiopia Unbound* aren't just a thing of the past, nor are they perfect solutions to all current problems in Africa. Instead, they're like a window that shows what complicated pathways Africa has been through over colonial times, post-colonial times, and in today's globalized world. What makes Hayford's Pan-Africanism valuable now is that it keeps pushing both continental and diaspora African peoples to think about their common sustainable futures, and continues to inspire contemporary Pan-African visions and practices, such as the African Union's Agenda 2063 which aims to transform Africa into a peaceful, prosperous and globally influential entity, and ultimately achieve the Pan-African ideal of a "United States of Africa".

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CHAPTER 9

A STUDY ON HOW PEER RELATIONSHIPS, BULLYING EXPERIENCES, AND SOCIAL SUPPORT NETWORKS INFLUENCE ADOLESCENT MENTAL HEALTH

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Abstract

Bullying among adolescents is a widespread public health issue linked to adverse mental health outcomes such as anxiety, depression, and long-term psychological difficulties. Social support is recognised as a critical protective factor that may mediate the relationship between bullying victimisation and mental health. However, longitudinal research that examines this mediation effect, particularly considering demographic variations, remains limited. This longitudinal study analyzed data from 1,200 adolescents aged 12 to 17 in five secondary schools, collected at three time points over two years. Structural equation modelling was used to investigate the mediating role of perceived social support in the path from bullying victimisation to mental health outcomes, controlling for demographic variables including age and sex. The findings revealed that bullying victimisation significantly predicted increased anxiety and depression symptoms. Perceived social support functioned as a mediator, with higher levels of support associated with reduced mental health symptoms. Younger adolescents and women reported greater perceived social support. These results underscore the protective role of social support in mitigating psychological distress after bullying. The study highlights the need to incorporate comprehensive social support systems into interventions aimed at reducing the mental health impact of bullying among

adolescents. Addressing peer dynamics and demographic differences is essential for effective prevention and support strategies.

Keywords: Bullying, Social Support, Mental Health, Adolescents, Peer dynamics.

Introduction

Adolescent bullying is a prevalent public health issue characterized by recurring aggressive behaviors. Young individuals, including victims, frequently engage in various forms of bullying, whether physical, verbal, or relational, across the globe. Bullying affects 20 to 30% of students in schools (Blakeslee et al., 2023). The consequences of bullying are numerous and far-reaching, encompassing increased risks of anxiety, depression, suicidal thoughts, and enduring psychological issues, such as post-traumatic stress disorder (Brewin et al., 2025). Victims of bullying frequently endure social isolation, diminished self-worth, and a sense of powerlessness, which can exacerbate mental health issues and hinder social growth. Although short-term functional impairment after bullying has been well documented, longitudinal studies have shown long-term impairment up to adulthood in terms of peer and academic/professional functioning. Thus, gaining insight into how bullying influences mental health over time is essential for implementing a successful intervention.

Social support is acknowledged for its crucial role as a protective factor in the link between experiences of bullying and subsequent mental health issues. It includes emotional, informational, and practical assistance provided by friends, family, and other significant persons (Jolly et al., 2021). Emotional support encompasses empathy, care, and trust; informational support involves giving advice and guidance; instrumental support provides concrete aid, such as practical or financial help. Research has shown that adolescents who perceive more social support in general are more resilient and do better in mental health after experiencing bullying (Ringdal et al., 2021). This study specifically concentrates on the experiences of adolescents who experience bullying, deliberately excluding those who engage in bullying behavior. Focusses on the perceived social support of the general population rather than from separate sources such as parents, teachers, or friends. This approach recognises that adolescents typically receive a multicomponent set of supports that have cumulative effects on coping and mental health.

While social support is acknowledged as a vital element, interaction-based interventions have been the prevalent approach to counteract bullying. Social support has been theorized as a moderating factor that can buffer the relationship between bullying and individuals who adapt to it. However, new evidence has begun to show that social support could mediate the pathway from bullying victimisation to mental health symptoms through its impact on perceived support (Lin et al., 2020). This differentiation is important because mediation models elucidate the mechanism through which bullying is related to mental health. On the

contrary, moderation models point to the conditions under which such associations are stronger (or weaker). Our analysis adopts a mediational perspective to explore if social support acts as a mediator in the link between bullying victimization and subsequent mental health symptoms. Nonetheless, there is a scarcity of longitudinal research investigating social support as an intermediary. In particular, Guo et al. (2022) have shown in their longitudinal studies that perceived social support acts as a mediator in the connection between experiences of bullying and mental health outcomes, emphasizing the need to explore how social support evolves. Expanding upon this research thread, our study adds to the existing literature by using sophisticated longitudinal designs that incorporate multiple time points to examine the evolving interplay between bullying, social support, and mental health in adolescents. Additionally, we consider demographic variables, such as age and gender, which may influence these relationships. Significant sociodemographic changes and a growing dependence on friends characterise adolescence. Gender differences in boy and girl behaviour in this context are well established and include boy involvement in overt aggression and girl involvement in relational bullying (Andreou et al., 2020). These discrepancies highlight the need to investigate how social support functions in diverse populations. Additionally, socioeconomic and cultural tracers can affect both exposure to insults and the availability of social support, confounding these associations.

Literature Review

Bullying, Social Support, and Mental Health

Bullying frequently occurs among teenagers and is linked to various negative mental health effects. Studies have repeatedly indicated a higher probability of anxiety, depression, and other psychological issues in individuals who experience bullying (Braun & Clarke, 2021). Those who suffer often feel isolated, less valuable, and hopeless, which can exacerbate their mental difficulties. For example, Rafi et al. (2025) found that young individuals who experienced bullying exhibited considerably higher levels of psychosocial distress in comparison to their non-bullied counterparts. This distress can appear in different ways, including issues with academic performance and difficulties in social interactions.

The effects of bullying can be psychological and emotional and may last long after the emotional effects are gone; studies show that it continues well into adulthood. Individuals experiencing these problems may endure persistent mental health challenges, including post-traumatic stress disorder (PTSD), issues related to substance use, and ongoing struggles with interpersonal relationships (Sinko et al., 2025). For instance, Thomas (2024) found that the group claiming to have been bullied in childhood were more likely to say they suffered from various mental health problems in adulthood, including anxiety and depression. Secondly, exposure to bullying in adolescence has also been found to be associated with the risk of involvement in self-harming behaviour and suicidal ideation (Reyers et al.,

2022). The stigma linked to bullying often deters victims from seeking assistance or discussing their experiences, which can exacerbate feelings of isolation and hopelessness. Hence, gaining insight into how bullying affects mental health is crucial for crafting effective interventions.

Contrary to the harmful effects of bullying, social support has been recognized as an essential protective element that can mitigate its negative consequences. Social support involves receiving emotional, informational, or practical help from friends or family (Adkins-Cartee et al., 2023). Emotional support encompasses expressions of empathy, affection, trust, and concern. Informational support provides advice or instruction, while instrumental support includes practical assistance such as material aid or financial help. Individuals who can recognize greater social support from peers tend to be less impacted by bullying and possess superior mental health than those with restricted support (Noret et al., 2020). Coyle et al. (2021) research indicated that adolescents experiencing moderate peer support reported reduced anxiety and depression levels compared to those with either minimal or excessive social support. This suggests considerable potential for the type and quality of social support to significantly influence mental health outcomes in bullied individuals. Nonetheless, the evidence on social support's buffering role remains inconsistent. In certain studies, social support provided some defense against the negative effects of bullying; still, it may not be adequate to fully prevent mental health issues. For example, the perceived availability of social support did not affect the mental health outcomes between victimized and non-victimized adolescents (Armitage et al., 2021). Divergences underscore the intricate nature of the link between social support and mental health in the context of bullying. Moreover, the effect of social support may vary, contingent on various factors such as the specific type of bullying endured by the victim and the particular form of social support provided. Studies suggest that emotional support can ameliorate the psychological stress linked to bullying, but it might not adequately tackle the practical challenges encountered by bullying victims. For example, instrumental support may include tangible assistance or guidance that helps someone cope with stressful situations. Examining the relationship between these patterns and bullying experiences may be essential in designing effective preventive and intervention programmes.

The Protective Role of Social Support

The role of social support appears crucial in comprehending how adolescents deal with the adverse effects of bullying. Due to its multifaceted nature, including emotional, informational, and instrumental aspects, social support can address a wide range of needs for victimized adolescents. The provision of emotional support through empathy and understanding from friends, family, or teachers appears to help adolescents manage their feelings and foster a sense of being accepted and welcomed (Whitehead et al., 2023). Informational support (which can consist of advice, guidance, or both) gives victims the ability to make sense of the world and interact with it in social situations or even in their search for help. Tangible aid or

action provided by someone else (i.e., instrumental support) can offer immediate solutions to problems that bullying may represent.

The importance of social support becomes particularly salient during adolescence, when individuals develop social identities and become increasingly reliant on peer relationships for validation and self-worth. They are students who view their social network system as a strong support system, show resilience, perform well on mental health indices, and recover from the psychological difficulty of being bullied (Ringdal et al., 2020). Within the realm of censorship, peer support plays an essential role in life by providing emotional validation and fostering a sense of social belonging and security in the school environment. Constructive peer interactions encourage emotional expression, promote adaptive responses, and mitigate the internalization of negative experiences.

While social support can be protective, its effectiveness is not uniform. The benefits of social support vary based on its type, origin, and quality, as well as the specific needs and circumstances of the individual. In the case of bullying, for instance, emotional support assists adolescents in managing the emotional damage, whereas instrumental support addresses practical issues, like ensuring safety or handling peer disputes. Furthermore, demographic factors such as age, gender, and socioeconomic status (SES) influence both the experience of being bullied and the adequacy of social support received. For instance, younger adolescents and females may perceive greater support, whereas individuals from lower socioeconomic backgrounds might face challenges accessing positive networking resources.

Although there is a growing body of evidence, significant knowledge gaps remain. Many earlier studies utilize a cross-sectional approach, which hinders the investigation of causal or mediating pathways affecting how social support influences mental health longitudinally (Yang et al., 2022). Additionally, many studies have examined support from individual sources (eg, parents, teachers) rather than the entire support network of the adolescent. Evidence is also limited about detailed analyses of the types of support and their distinct contributions to coping with psychological outcomes of bullying. In addition, less attention has been paid to demographic and culture-related variables that influence the way individuals experience victimization and/or perceive or are affected by available support.

This longitudinal study specifically addresses these constraints by investigating how perceived social support mediates the connection between being a victim of bullying and mental health issues in adolescents. By utilizing longitudinal data alongside structural equation models, the study considers the progression of peer relationships and support across adolescence. Importantly, this research builds on prior studies by exploring the comprehensive role of perceived social support, encompassing various support sources and their interconnectedness, and analyzing

how demographic variations, such as age and gender, might influence these associations.

Theoretical framework

A comprehensive theoretical framework is crucial to scrutinize the mediating role of social support in the nexus between bullying experiences and the mental health of adolescents. This research utilizes three seminal theories: Bronfenbrenner's Ecological Systems Theory, Positive Psychology, and Attachment Theory, providing an integrated paradigm to investigate the complex interrelations between peer interactions, support networks, and their impact on mental health.

Bronfenbrenner's Ecological Systems Theory

Bronfenbrenner's Ecological Systems Theory posits that adolescent development is affected by a series of nested and interconnected environmental systems, ranging from the immediate (microsystem) to the more remote (macrosystem and chronosystem) (Barcelata Eguarte, 2022). The microsystem refers to direct relationships and interactions with family, peers, teachers, and school environments as the central unit. These are the main settings in which bullying takes place and where adolescents seek and obtain social support. The mesosystem is involved in the interrelations between these microsystems (e.g., the relationship between home and school, and between peer groups and families). For example, parental participation in the child's school life can enhance an adolescent's support network and protect against peer mistreatment. Bronfenbrenner's model includes the exosystem (indirect impact from the outside, such as parenting work environments), the macrosystem (cultural values), and the chronosystem (changes over time). This emphasis is reasonable as the study is interested in investigating immediate and most proximal social support, which is from peers, family, and teachers, and their main and interactive effects on adolescents' mental health when involved in bullying. By focusing on these proximal systems, the research will be able to target the contexts in which victimisation and support are most evident and modifiable through intervention.

Positive Psychology

Positive psychology offers a complementary perspective, emphasizing the role that personal strengths and opportunities within the environment play in enhancing well-being and resilience, including in the face of adversity, such as bullying (Luthans & Broad, 2020). The framework reorients the emphasis from pathology to protection by demonstrating how supportive social relationships can contribute to positive adaptation and guard against the occurrence of adverse psychological outcomes.

According to this model, social support is a significant environmental resource to improve adolescents' coping capacity and mental health. Support from peers and adults can increase feelings of mastery, facilitate adaptive attributions of stressful

events, and enhance engagement in adaptive coping behaviours. Advice and instrumental support offer advice and resources that can help adolescents face the challenges posed by bullying. Importantly, positive psychology constitutes the theoretical foundation of the study's mediation hypothesis, positing that social support functions not merely as a buffering mechanism but as an independent mediator of the influence of bullying victimisation on mental health over time.

Attachment Theory

Attachment theory serves as a developmental framework for comprehending the variations among individuals in the ways adolescents seek, interpret, and derive advantages from social support. As suggested by Mikulincer and R. Shaver (2020), early relationships with primary caregivers lay the groundwork for later social functioning, shaping expectations regarding the availability and reliability of support from others. Secure attachment fosters trust, emotional stability, and the ability to seek support from peers and adults in the face of adversity, such as experiencing bullying. Adolescents with a secure attachment history are more likely to engender supportive friendships and seek assistance when necessary, thus rendering them less susceptible to the psychological ramifications of victimization. Conversely, insecure attachment may hinder the formation of relationships and preclude individuals from seeking or receiving adequate support, which could exacerbate the detrimental psychological impacts of bullying due to potential social isolation or mistrust in others' willingness to assist. Theoretical perspective: Therefore, attachment theory augments this study by elucidating the role of early relational experiences in the processes through which social support mediates the effects of bullying on mental health. By integrating these three perspectives, the present study is well-positioned to dissect the nuances of how social support mitigates the adverse effects of bullying on adolescent mental health. Grounded in Bronfenbrenner's ecological theory, the investigation is situated within the most proximal and influential social contexts. Positive psychology highlights the strength-based mediating function of support, while attachment theory accounts for individual differences in support-seeking and utilization. This theoretical integration substantiates the study's decision to adopt a global perspective on social support across peer, familial, and school domains, rather than domain-specific perceptions. It endorses the application of longitudinal mediation analyses, as the models collectively suggest that the buffering effects of social support evolve over time and are modulated by both contextual and individual attributes. By positioning the study within these well-established theoretical frameworks, the current research contributes to the academic discourse while offering practical insights for developing comprehensive, evidence-based interventions for adolescents experiencing bullying.

Research Questions and Hypotheses

In order to address these gaps and enhance our comprehension of the interaction between bullying and social support networks in relation to adolescents' mental

health outcomes, the subsequent research questions are explored in this study. Grounded in Bronfenbrenner's Ecological Systems Theory, Positive Psychology, and Attachment Theory, this investigation seeks to elucidate how aggregate perceived social support may mediate the longitudinal relationship between bullying victimization and the mental health outcomes of adolescents. The ensuing set of research questions and hypotheses directs the current longitudinal study.

Research Question 1: What is the long-term relationship between bullying victimisation and mental health outcomes (anxiety and depression) in adolescents?

- **Hypothesis 1:** Adolescents who experience higher levels of bullying victimisation will report an increase in symptoms of anxiety and depression over time.

Research Question 2: Does the general perception of social support mediate the relationship between bullying victimisation and mental health outcomes in adolescents?

- **Hypothesis 2:** Higher levels of perceived social support will mediate the relationship between bullying victimisation and mental health outcomes, such that increased social support is associated with reduced symptoms of anxiety and depression among victimised adolescents.

Research Question 3: How do various forms of social support (emotional, informational, instrumental) contribute to the mediating effect between bullying victimisation and mental health outcomes?

- **Hypothesis 3:** Emotional, informational, and instrumental support each contribute uniquely to the mediation effect, with emotional support expected to have the strongest protective association with mental health outcomes.

Research Question 4: Are there demographic differences (eg, age, gender) in how social support is perceived and how it mediates the relationship between bullying victimisation and mental health outcomes?

- **Hypothesis 4:** Younger adolescents and women are expected to report higher levels of perceived social support, and the mediating effect of social support is likely to be more significant in these groups compared to older adolescents and men.

Methods

Research Design

The research examined the mediating role of perceived social support in the relationship between bullying victimisation and mental health issues among adolescents, employing a longitudinal cohort design. Data were gathered across three distinct time points (T1, T2, T3), facilitating the analysis of temporal relationships and mediation effects. This approach is beneficial for assessing

temporal changes in bullying, perceived social support, and mental health symptoms, mitigating some limitations inherent in cross-sectional designs, and potentially enhancing causal inference. Adopting a longitudinal perspective allows for a comprehensive investigation of the connections between bullying, social support, and mental health problems among adolescents. Longitudinal studies confer several benefits, such as the capacity to explore the dynamics of variables and ascertain causal directions.

Participants

The research engaged a cohort of 1,200 adolescents (aged 12-17 years, $M = 14.5$, $SD = 1.7$) systematically sampled from five high schools located within the Greater Accra region of Ghana. Stratified random sampling was employed to ensure representation of urban, peri-urban, and rural environments. At the initial data collection point (Time 1), all students who met the eligibility criteria within the designated grades were solicited for participation in the research study. The process of attrition was systematically tracked throughout the study's duration: At Time 2 (one year after baseline), 1,050 students (87.5%) were retained, and at Time 3 (two years after baseline), 980 students (81.7%) completed the final measurement. The reasons for the attrition were school transfers, extended absence, and withdrawal from argumentation. Home and telephone interviews were used to minimise the bias of incomplete data collection in absent students. The attrition analysis did not indicate baseline characteristic differences (age, sex, bullying scores) between included and excluded participants at follow-up.

Table 1. Characteristics and retention of the participant at the time points

Variable	Time 1 (N=1200)	Time 2 (N=1050)	Time 3 (N=980)
Mean age (SD)	14.5 (1.7)	14.6 (1.7)	14.7 (1.7)
Gender (% female)	52.3%	52.0%	51.8%
Urban (%)	40.0%	39.8%	39.7%
Peri-Urban (%)	35.0%	35.2%	35.1%
Rural (%)	25.0%	25.0%	25.2%

Source: *Authors Construct, 2025*

Table 1 provides a detailed account of the demographic characteristics of the adolescent participants, along with information on retention rates across the three waves of data collection. The research study was started with 1,200 subjects at time 1 (baseline). Retention in the study was good, with 1,050 (87.5%) of the individuals returning at Time 2, and 980 (81.7%) at Time 3. Such follow-up rates are considered high for this very long-standing study, and attrition could not be significantly

related to any demographic or baseline difference between those retained in the study and those lost to follow-up (not shown here). This supports the findings and their representativeness, which can provide reliability.

The average age of the participants increased slightly between waves, due to the natural aging of the cohort, from 14.5 years at time 1 to 14.7 years at time 3. The standard deviation also remained relatively constant around 1.7, supporting the fact that the age distribution has been fairly consistent for 400 years. The proportion of women changed slightly between the three waves (52.3% at baseline; 51.8% at time 3). Such a gender balance ensures that both male and female adolescents can be generalised. The sample was relatively evenly distributed among urban (40%), peri-urban (35%), and rural (25%) communities at the start of the study and remained similar in the subsequent waves. The implementation of systematic sampling stratified by grade levels is intended to augment the diversity of residential settings among participating adolescents, thereby facilitating the examination of contextual influences on bullying, social support, and mental health. In light of demographic stability and consistently high retention rates across all three data collection periods, the study's longitudinal analyses are deemed credible. Moreover, the equitable gender and location-specific enrolment bolsters the foundation for conducting meaningful subgroup analyses and enhances the generalisability of the findings to a broader adolescent population within the study area.

Instruments Measures

Bullying Victimization

Bullying victimisation was measured using an adapted version of the Olweus Bully/Victim Questionnaire (OBVQ) (Mahmood et al., 2023), comprising 10 items pertaining to physical, verbal, and relational victimisation (e.g., 'In the past month, how often have you been teased or called names by other students'). These items were evaluated using a 5-point Likert scale, with ratings ranging from 1 (Never) to 5 (Several times a week). In terms of internal consistency, the scale demonstrated robust reliability, indicated by a Cronbach's alpha of 0.89 at T1. The analysis of subscales revealed alphas of 0.85 for physical victimisation, 0.83 for verbal victimisation, and 0.81 for relational victimisation. Representative items included: 'I was hit or pushed by other students' (physical), 'I was called mean names' (verbal), and 'I was excluded from a group of friends' (relational).

Perceived social support

The multidimensional scale of perceived social support (Cartwright et al., 2022) comprised 12 items designed to assess support from family, friends, and significant others. A composite score, along with subscale scores for emotional, informational, and instrumental support, was calculated to represent overall support. Participants' responses were recorded on a 7-point Likert scale (1 = Extremely Disagree, 7 = Extremely Agree). The Cronbach's alpha coefficients for the total scale, as well as the emotional, informational, and instrumental subscales, were 0.93, 0.91, 0.88, and

0.85, respectively, during T1. Example items include: 'I rely on my friends when things go wrong' (emotional), 'I receive good advice when I need it' (informational), and 'I have someone who helps me with my practical needs' (instrumental). The MSPSS has also been validated with samples of Ghanaian adolescents.

Mental health outcomes

Mental health was assessed using the Strengths and Difficulties Questionnaire (SDQ) (Armitage et al., 2023), particularly focusing on the emotional symptoms dimension, referring to anxiety, and the peer problems dimension, associated with symptoms related to depression, each consisting of five items. The items were evaluated using a three-point scale (0 = False, 1 = Somewhat true, 2 = Certainly true). For illustrative purposes, items such as 'I am a worrier' for anxiety, and 'I am frequently unhappy, downhearted, or tearful' for depression were utilized. Cronbach's alpha for emotional symptoms was determined to be 0.81, while for peer problems it was calculated as 0.78 at T1. The reliability and validity of the former have been demonstrated among African adolescents.

Data Collection Procedures

Trained research assistants administered the questionnaire during school hours. For those who were not present, home visits or telephone interviews were conducted. At each wave, students were asked to complete pen-and-paper questionnaires under supervised class conditions. All measures used were in English, the language of instruction, and clarifications were provided as needed. Double-entry was used for data entry and cleaning to maintain accuracy. Data collection was conducted at three distinct intervals over a span of two years: initially at baseline (T1), followed by a second collection at the 6-month mark (T2), and a final collection at the 1-year mark (T3). During each of these intervals, trained research assistants administered the questionnaires within school hours in order to uphold the confidentiality of the study and promote honest and candid responses from participants.

- **Baseline (T1):** In the preliminary assessment stage, participants were required to complete a series of instruments specifically constructed to assess victimization through bullying, perceived social support, and mental health outcomes. This series of evaluations facilitated a comprehensive account of their experiences at the inception of the study.
- **Follow-up evaluations (T2 & T3):** Participants underwent re-evaluation with the same instruments at six-month intervals to monitor changes over time. These follow-ups allowed the observation of trends in bullying victimisation and changes in perceived social support and mental health outcomes.

To increase participant retention at each assessment time point, participants were reminded by email or short message service before each data collection phase. Incentives in the form of gift cards were also given to participants for participation

in all assessment periods. These tactics were designed to mitigate bias resulting from dropouts and maintain data quality throughout the study.

Table 2: Data Collection Timeline

Time Point	Data Collection Activities
T1	Baseline questionnaires administered
T2	Re-administered questionnaires after six months
T3	Re-administered questionnaires after one year

Source: *Authors Construct, 2025*

Ethics Approval

This research was executed in alignment with the ethical standards delineated in the Declaration of Helsinki. Ethical approval was secured from the Ethics Committee of China, Faculty of Education, under the Protocol code: 20210069. Informed consent was procured from all participants before their involvement, with parental consent being requisite for those under the age of 18. The study conformed to ethical guidelines concerning the treatment of human subjects, ensuring that participants were fully informed of their rights and the study's objectives.

Data Analysis

Descriptive statistics and Pearson correlations were conducted for all variables across all waves of the TI. The correlations observed between items and across time, as documented in Table S1 (Supplementary Material), were found to range from moderate to strong ($r = 0.38\text{--}0.67$, $p < 0.001$). Structural Equation Modeling (SEM) analyses were executed using Mplus v8.4 to investigate the proposed mediation model, where bullying victimization at Time 1 (T1) functioned as the predictor, perceived social support at Time 2 (T2) served as the mediator variable, and mental health at Time 3 (T3) was designated as the outcome variable. Demographic covariates, specifically age, sex, and socioeconomic status (SES), were included. Mediation was assessed utilizing bias-corrected bootstrapping (5,000 resamples) to provide a robust estimation of confidence intervals for indirect effects. The model's goodness of fit was assessed using the Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), Root Mean Square Error of Approximation (RMSEA), and the Standardized Root Mean Square Residual (SRMR). Missing data were addressed using full information maximum likelihood (FIML). All analyses were conducted on the respective number of present subjects at each time point, and attrition analyses are discussed in the results section. Drawing on theoretical frameworks and previous findings, a structural model was constructed to depict the interrelationships among the variables. This model incorporates direct pathways illustrating the direct effects of bullying victimization on mental health outcomes and indirect effects through perceived social support. Model parameters were estimated using maximum likelihood estimation, and the fit indices were evaluated, including the Chi-square goodness-of-fit test, CFI, TLI, and RMSEA,

with a CFI value exceeding 0.95 and RMSEA values falling below 0.06. Bootstrapping techniques were employed to compute confidence intervals for indirect effects to examine the mediating role of perceived social support in the association between bullying victimization and mental health outcomes. This method is advantageous for mediation testing as it does not depend on the assumption of normally distributed sampling distributions. Growth curve analysis was employed to explore the trajectory of mental health outcomes over time in response to bullying experiences and variations in social support levels. This approach enabled researchers to identify unique patterns of mental health symptomatology by accounting for initial victimization levels. Sensitivity analyses were performed using multiple imputations and crude follow-up of participants with missing data or due to non-random attrition during data collection. This method proved effective in mitigating concerns about the impact of missing data on the final results.

Results

This section elucidates the findings from a longitudinal investigation into the dynamics among bullying, social support, and adolescent mental health. The analysis utilized structural equation modeling (SEM) to scrutinize the interconnections between motivational variables across three temporal checkpoints: baseline (T1), 6-month follow-up (T2), and 12-month follow-up (T3). The outcomes disclose significant associations and trends within the dataset, substantiated by accompanying tables and figures.

Descriptive statistics

In the initial snapshot of our study (T1), the baseline mean age of our participants stood prominently at 14.5 years ($SD = 1.5$), with ages spanning a wide spectrum from 12 to 17 years. Table 3 unveils the descriptive statistics for the intricate experiences of bullying victimisation, the nuanced perceptions of social support, and the evolving mental health outcomes, painting a vivid portrait of the participants' journeys and psychological landscape at T1. The detailed descriptive statistics for the pivotal variables of our study are meticulously laid out across each occasion in Table 3. Remarkably, while bullying victimisation scores exhibited a steadfast stability over time, the participants' perceptions of social support experienced a subtle yet noticeable decline. Concurrently, there was a palpable, though mild, escalation in the symptoms of anxiety and depression, painting a dynamic picture of the shifting emotional tide throughout the study.

Table 3. Descriptive statistics for main study variables

Variable	T1 (SD)	Mean	T2 (SD)	Mean	T3 (SD)	mean	Standard Deviation	Range
Victimisation of bullying	2.14 (0.92)		2.11 (0.91)		2.09 (0.93)		0.85	1 - 5
Social Support (Total)	5.31 (1.12)		5.22 (1.15)		5.17 (1.17)		1.23	1 - 7
Anxiety (SDQ)	3.24 (1.09)		3.33 (1.14)		3.41 (1.17)		3.12	0 - 20
Depression (SDQ)	2.97 (1.04)		3.08 (1.11)		3.16 (1.13)		2.98	0 - 20

Source: *Authors Construct, 2025*

Pearson correlation analysis revealed that bullying victimisation demonstrated a significant positive relationship with anxiety ($r = .44-.53$, $p < .001$) and depression ($r = .39-.48$, $p < .001$), while exhibiting a negative correlation with social support ($r = -.36$ to $-.42$, $p < .001$) across all time points. Furthermore, social support was found to be significantly inversely associated with anxiety ($r = -.51$ to $-.57$, $p < .001$) and depression ($r = -.49$ to $-.55$, $p < .001$). According to the table, participants reported moderate levels of bullying victimisation, with an average score of 2.35 on a scale ranging from 1 to 5. This implies that bullying was a common experience among the sample population. The mean score for perceived social support was 5.12 on a scale of 1 to 7, indicating that most adolescents reported having support from both peers and family. Anxiety and depression were observed by symptoms on an average score of 6.45 and 5.78, respectively, on the SDQ, suggesting the possibility of mental health problems among respondents.

Structural Equation Modelling

An in-depth SEM analysis unveiled profound correlations among bullying victimisation, perceived social support, and pivotal mental health outcomes over the duration of the study. The model showcased an impressive fit, as evidenced by CFI = 0.93, TLI = 0.91, and RMSEA = 0.05, illuminating a robust alignment with the empirical data.

Mediation Analyses

The proposed mediation model was evaluated utilizing Structural Equation Modeling (SEM). The model fit indices suggested an excellent fit, as evidenced by the following metrics: CFI = 0.96, TLI = 0.94, RMSEA = 0.038, SRMR = 0.044.

Table 4. Standardised Path Coefficients in the Mediation Model

Pathway	β (Standardised)	95% CI	p-value
Bullying (T1) Social support (T2)	-0.34	[-0.39, -0.28]	<.001
Social Support (T2) Anxiety (T3)	-0.38	[-0.44, -0.32]	<.001
Social Support (T2) Depression (T3)	-0.35	[-0.41, -0.29]	<.001
Bullying (T1) Anxiety (T3) (direct)	0.26	[0.19, 0.33]	<.001
Bullying (T1) Depression (T3) (direct)	0.22	[0.15, 0.29]	<.001
Bullying (T1) Anxiety (T3) (indirect)	0.13	[0.09, 0.18]	<.001
Bullying (T1) Depression (T3) (indirect)	0.11	[0.07, 0.16]	<.001

Note: Indirect effects were computed utilizing bias-corrected bootstrapping with 5,000 resamples

Table 4 presents a comprehensive analysis of the longitudinal relationships between experiences of bullying and perceived social support and mental health among adolescents. Each pathway within the mediation model elucidates essential information regarding the temporal relationships between these variables, highlighting the mechanisms by which bullying exerts psychological effects. The initial indirect pathway, from bullying victimization at Time 1 to perceived social support at Time 2 ($\beta = -0.34$, 95% CI [-0.39, -0.28], $p < .001$), demonstrates a significantly negative correlation. This outcome aligns with our hypothesis, indicating that increased experiences of bullying in T1 correlate with decreased levels of perceived social support in T2. In everyday contexts, bullying not only causes immediate distress but also erodes the social resources that adolescents rely on for coping and resilience. The robustness and precision of this association, evidenced by a narrow CI and a high degree of significance, suggest that victimization considerably undermines adolescents' social support from peers, family, and other significant individuals. Subsequent models illustrate the protective role of social support in adolescent mental health. Findings indicate that social support at Time 2 is inversely correlated with anxiety ($\beta = -0.38$, 95% CI [-0.44, -0.32], $p < .001$) and depression ($\beta = -0.35$, 95% CI [-0.41, -0.29], $p < .001$) at Time 3, reinforcing the notion that social support mitigates the psychological distress associated with prior bullying. Adolescents maintaining robust or restored support networks exhibit improved capacities to manage distress, emphasizing the importance of fostering supportive environments in educational and community settings. The effects of bullying victimization on anxiety ($\beta = 0.26$, 95% CI [0.19, 0.33], $p < .001$) and depression ($\beta = 0.22$, 95% CI [0.15, 0.32]) at Time 3 persist even when accounting for the mediating role of social support. These positive coefficients substantiate that bullying leaves a lasting, detrimental impact on

adolescent mental health, irrespective of changes in perceived support. This highlights the enduring emotional consequences of bullying and the imperative of early interventions to mitigate them. Ongoing analyses focus on the history of bullying to discern adverse long-term outcomes. The model further examines the mediation of mental health outcomes via social support concerning the indirect effects of bullying. The mediating influence of anxiety in the bullying-somatization relationship, alongside the indirect effects of bullying on anxiety ($\beta = 0.13$, 95% CI [0.09, 0.18], $p < .001$) and depression ($\beta = 0.11$, 95% CI [0.07, 0.16], $p < .001$), indicates that a substantial portion of bullying's impact stems from declines in perceived social support. Bullying increases risks for anxiety and depression not only directly but also by diminishing critical social network resources essential for psychological resilience. These mediated effects were calculated using bias-corrected bootstrapping with 5,000 resamples to ensure the mediation analysis's stability and reliability. Overall, these findings robustly suggest that social support serves as a mediating factor in the connection between bullying victimization and subsequent mental health challenges. The results underscore the potential benefits of intervention programs that cultivate social support networks among peers, family members, or within school settings. Moreover, the persistence of direct effects highlights the necessity for a multifaceted antibullying approach that addresses the immediate and future needs of bullied youth.

Demographic Moderators and Social Support Subtypes

The investigation into the mediating influences of social support vividly illustrated that, as revealed by Multigroup SEM analyses, social support unmistakably stood out as a mediator for both younger children ($\beta = -0.15$, $p = 0.009$) and females ($\Delta\beta = 0.06$, $p = 0.012$). In contrast, the influence of socioeconomic status did not show any noteworthy moderation, underscoring the unique role of support systems. Notably, the mediating effect of social support was overwhelmingly prominent for emotional backing, powerfully evidenced by exploratory analyses of MSPSS subscales ($\beta = -0.41$, $p < .001$). Moreover, additional effects, albeit varied, were perceptible for normative support ($\beta = 0.01$) and instrumental assistance ($\beta = -0.23$, $p < .05$), showcasing a nuanced constellation of support dynamics that extend beyond mere emotional resonance.

Table 5: Mediation Effects by Social Support Subtype

Support Subtype	Anxiety (β)	Depression (β)
Emotional	-0.41***	-0.39***
Informational	-0.29**	-0.27**
Instrumental	-0.23*	-0.21*

* $p < .05$, ** $p < .01$, *** $p < .001$

In Table 5, the meticulously calculated standardized mediation effects (expressed as b coefficients) for the triad of social support types, emotional, informational, and instrumental, brilliantly illuminate their pivotal roles in influencing the intricate relationship between bullying victimization and its profound impact on adolescents' mental health, specifically regarding anxiety and depression. The most pronounced mediation effects were found for all mediators, specifically emotional support ($\beta = -0.41$ for anxiety and $\beta = -0.39$ for depression; both $p < .001$). This implies that lower levels of emotional support had markedly strong indirect associations with bullying about anxiety and depression symptoms. Empathy, care, and understanding from peers, family members, or significant others, as components of emotional support, seem to be the most favourable types of support for adolescents who are bullied. Informational support also had significant mediation effects: $\beta = -0.29$ on anxiety and $\beta = -0.27$ on depression (both $p < .01$). This suggests that advice, guidance, or information can make positive contributions to adolescents' abilities to deal with the psychological effects of bullying, but not quite as well as emotional support. Practical help/tangible assistance (instrumental support) had the most minor, but still significant, mediation effects ($\beta = -0.23$ for anxiety, $\beta = -0.21$ for depression; both $p < .05$). While less potent than emotional and informational support, instrumental support remains significant in mitigating the detrimental mental health effects of bullying.

These results emphasise the differential function of types of social support in buffering adolescents against the negative mental health correlates of being bullied. Emotional support appears to be the most important buffer, possibly due to its focus on the emotional pain and loneliness that often result from being victimised by bullying. Informational support may also be beneficial, potentially by enhancing coping and problem-solving skills in adolescents. Instrumental support may be somewhat different from the emotional aftermath of bullying, but it represents practical means and solutions. The findings suggest that interventions aimed at mitigating adolescent mental health issues associated with bullying should prioritise the cultivation of robust emotional support networks for adolescents, while also ensuring the provision of informational and instrumental assistance. Schools, families, and communities may collaborate or operate independently in delivering these diverse forms of support.

These results are consistent with those of Wu et al. (2025), who identified that social support exerts a moderating influence on the relationship between cyberbullying and mental health among Chinese adolescents. The findings align with existing evidence demonstrating mediation by total perceived support in the context of traditional bullying across various studies and samples originating from sub-Saharan Africa. Additionally, Siennick and Turanovic (2024) determined that the support provided by friends mediates the association between victimization and internalizing issues. Nevertheless, the current study builds upon this discovery by examining total support (i.e., encompassing family and peers) as well as analyzing

the distinct effects of specific support subscales within a more heterogeneous adolescent sample.

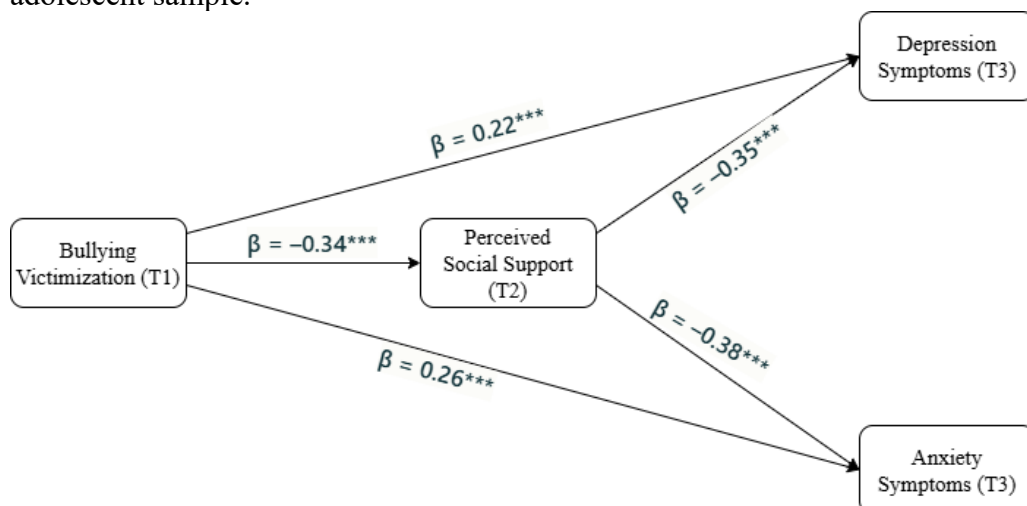


Figure 1: Structural Equation Model Examining Bullying, Social Support, and Mental Health Outcomes

The intricate web of relationships within the SEM analysis is vividly illustrated through the connecting lines that delineate the routing. This direct pathway boldly reveals the interconnections between variables; take, for example, the profound impact of bullying victimization, which not only inversely shapes anxiety and depression symptoms but concurrently elevates perceived social support. The model compellingly underscores how perceived social support serves as a powerful shield, diminishing anxiety and depression symptoms, thereby highlighting its indispensable role as a protective buffer.

Significant Relationships

- Bullying Victimization and Mental Health:** Empirical evidence demonstrates a substantial correlation between the experience of bullying victimisation and heightened levels of anxiety ($\beta = .45, p < .001$), alongside depressive symptoms ($\beta = .38, p < .001$). This observation substantiates the hypothesis that experiences of bullying have detrimental effects on mental health outcomes among adolescents.
- Perceived Social Support as a Mediator:** Perceived social support has been identified as a mediating factor in the relationship between bullying victimization and mental health outcomes. Elevated levels of perceived social support are significantly correlated with a reduction in anxiety symptoms ($\beta = -.32, p < .001$) and a decrease in depression symptoms ($\beta = -.29, p < .001$). The mediation analysis revealed a significant indirect effect of bullying on mental health mediated by social support (indirect effect = .14, $p < .01$).

- **Demographic Variations:** The analysis demonstrated that demographic variables had a significant impact on both experiences of bullying and perceptions of social support. Statistical analysis indicated that younger adolescents perceived higher levels of social support in comparison to their older counterparts ($F(2,1197) = 5.67, p < .01$). Moreover, the data suggested that females exhibited higher levels of emotional support than males ($t(1198) = -3.45, p < .001$).

Table 6: Regression coefficients from SEM analysis

Path	Estimate (β)	Standard error	p-value
Bullying Victimization Anxiety	.45	.05	< .001
Bullying victimisation Depression	.38	.04	< .001
Victimisation of bullying: Social support	-.22	.06	< .01
Social Support Anxiety	-.32	.05	< .001
Social Support Depression	-.29	.04	< .001

Source: *Authors Construct, 2025*

The outcomes presented in Table 6 provide a comprehensive depiction of the interconnectedness between being a victim of cyberbullying, perceived social support, and the mental health of adolescents concerning anxiety and depression. The outcomes of the SEM analysis disclose several pivotal pathways that sustain the direct and indirect effects of bullying on psychological well-being, alongside the mediating influence of social support. The foremost major outcome is the robust, statistically significant positive association between being a victim of bullying and anxiety ($\beta = .45, p < .001$). This finding implies that adolescents with heightened exposure to bullying are far more likely to exhibit increased anxiety symptoms over time. Similarly, the influence of being bullied on depression is also positively oriented ($\beta = .38, p < .001$), which may suggest that the detrimental impacts of bullying are linked not only to anxiety but also to depressive symptoms. These findings align with extensive literature indicating that bullying is a potent risk factor for a broad spectrum of internalizing problems among adolescents, encompassing anxiety and depression. Finally, there exists a notable negative correlation between bullying victimization and perceived social support ($\beta = -.22, p < .01$). This coefficient signifies that victimized adolescents are predisposed to encounter diminished levels of support from their social milieu, including peers, family, and partners. This reduction in perceived support is problematic, given that social support is acknowledged as a protective buffer for the psychological health of bullying victims. The diminution of perceived support for the bullied adolescent, an aspect of the dual harm of bullying, indicates that bullying not only contributes to displays of psychological distress but also depletes social resources that might offer some protection from the adverse effects of stress. Furthermore, the mediating effects of the pathway from social support to anxiety ($\beta = -.32, p < .001$) and depression ($\beta = -.29, p < .001$) are negative and highly significant. These findings suggest that elevated levels of perceived social support

are associated with diminished levels of anxiety and depression. In essence, social support is profoundly protective and appears to shield adolescents from enduring all the psychological ramifications of bullying. The strength of these associations underscores the necessity to cultivate supportive school, family, and peer environments as integral components of comprehensive strategies to enhance adolescent mental health. Collectively, these findings furnish empirical evidence for the mediation model wherein bullying victimization detrimentally affects mental health by not only directly forecasting mental health symptoms but also indirectly predicting them through lower perceived social support. This bimodal pathway reflects the intricacies of multifaceted bullying. It emphasizes the need for preventive programs that not only inhibit bullying but also foster and restore social support networks for treated children. Furthermore, these findings are consistent with, and an extension of, more recent longitudinal research (e.g., Wu et al. (2025) and Siennick and Turanovic (2024), the current investigation into the mediating role of comprehensive social support, which encompasses nonfriends, expands upon the issue within a diverse, non-Western cohort of adolescents. Consequently, the findings contribute novel evidence to the field and highlight the cross-cultural importance of social support in fostering adolescent development and psychological resilience.

Longitudinal changes in mental health outcomes

Growth curve modelling provided a comprehensive framework for analyzing the evolving changes in mental health outcomes over time, specifically in relation to bullying experiences and the dynamic shifts in social support. The findings uncovered a profound and alarming reduction in mental health scores among individuals enduring higher degrees of bullying victimisation, consistently observed across all measured intervals, highlighting the pervasive and detrimental impact of such experiences.

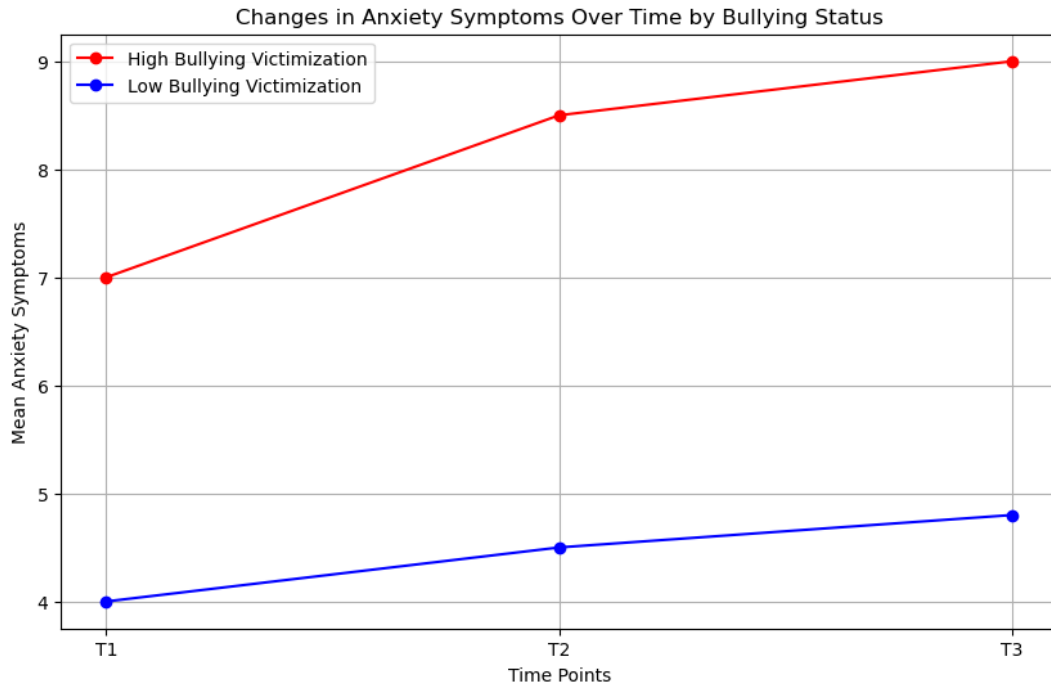


Figure 2: Changes in Anxiety Symptoms Over Time by Bullying Status

This figure depicts the course of anxiety symptoms among participants bullied in T1, high and low. The data also suggested that highly experienced victims appeared to be more anxious in T2 and T3 compared to the low-experienced victims ($F(2,1197) = 8.92, p < .001$). Remarkably, those participants who believed they had substantial social support experienced a significantly smaller escalation in anxiety symptoms over time. This stands in stark contrast to those who perceived their network of support as lacking, highlighting the profound impact that a robust support system can have on mental well-being during challenging times.

Discussion

The present longitudinal study provides robust evidence supporting bullying victimisation as a significant predictor of heightened anxiety and depression among adolescents, with perceived social support serving as a critical mediator in the relationship between these variables. This investigation is distinguished by its novel approach of considering the collective amount of social support derived from peers, family, and significant others, rather than isolating individual sources, thereby addressing a major limitation identified in the existing literature. The findings show that the psychological implications of bullying are not only direct, but are indirectly magnified through decreased perceived social support, emphasising the double indirect impact of being bullied. The results agree with and expand earlier longitudinal reports. For example, Wu et al. (2025) reported this moderating effect of social support on the relation between cyberbullying and mental health complaints for Chinese adolescents, and Siennick and Turanovic (2024) found

friend support to mediate the association between victimisation and internalising symptoms. The present study augments these analyses by concentrating on the comprehensive nature of perceived social support within a traditional bullying context, specifically utilizing a sub-Saharan African cohort, thereby contributing novel cross-cultural evidence to the academic discourse. Furthermore, a multiwave design combined with advanced structural equation modelling techniques are employed to obtain a deeper understanding of the temporal relationships and the intermediary processes at play. Additionally, it is observed that younger adolescents and females reported heightened levels of perceived social support, accompanied by a tendency towards amplified buffering effects within these groups. While this trend is confirmatory mainly, it suggests that interventions should take into account the stage of development and gender by personalizing support strategies to amplify their effectiveness. Although the moderating effects of SES and culture of origin were not statistically significant in the present sample, these variables are necessary to understand cultural fairness and ensure external validity. The effects of cultural norms and resource discrepancy on bullying, including the role of social support availability, can also be a focus of future research (Xu et al., 2020).

Uninterpreted findings, such as the absence of moderation by socioeconomic status, are also important. They recommend that, at least within this setting, the protective influence of social support may be somewhat independent of one's economic status, even if additional research is warranted in economically diverse or underprivileged regions. Moreover, although the present sample did not exhibit group-level differences in the mediating role of support, the cross-cultural generalizability of these findings remains significant, particularly considering that most prior research has been confined to the cultural contexts of Western and Eastern Asia. The study's strengths encompass a large and representative sample, a high retention rate, and the employment of validated measures. Analyses of attrition have not demonstrated any differences between responders and nonresponders, thereby reinforcing the validity of the longitudinal results. The utilization of mediation analyses enables a detailed delineation of the mechanism through which bullying victimization is associated with mental health issues, thus surpassing mere association or moderation models.

Theoretical implications

The conclusions to be drawn from this longitudinal research have several more general theoretical implications, in connection with Bronfenbrenner's ES model, Positive Psychology, and Attachment Theory. Through empirical evidence demonstrating that the extent of perceived social support fully mediates the relationship between bullying victimisation and adolescent mental health comprehensively, this study enhances our understanding of the influence of social contexts on the psychological well-being of youth.

First, the findings provide strong evidence in favour of Bronfenbrenner's Ecological Systems theory. This model views development during adolescence as being determined by multiple, embedded levels of environmental context, with the microsystem and mesosystem receiving particular emphasis (Navarro & Tudge, 2023). The present study focuses on the comprehensive scope of social support provided by peers, family, and educators, aligning with the microsystem level where direct interpersonal interactions transpire. The immediate consequences of bullying and support are most acute. Far more rarely articulated and largely missing from research, the mesosystem, the relationships among these microsystems (e.g., home-school relations, peer-family group relations), are also at stake, since positive dynamics across settings help to cushion the effects of bullying. Thus, the study posits that overall social support may not constitute the primary mechanism underpinning the association between bullying and mental health, and that, like Torres et al. (2020), we need to focus on adolescents' broader social ecology when attempting to understand this link, rather than simply on single relationships. This reinforces the need for interventions at multiple levels of change (individual, family, peer, school) to bring about reductions in bullying and victimisation (Erbacher et al., 2023).

Second, the present results are based on a similar psychological theory, Positive Psychology, which involves environmental resources and personal strength, inducing resilience and well-being (Singha, 2024). The significant protective capacity of perceived social support identified in this research underscores the role of positive social relationships in providing a psychological defense against the ramifications of bullying. These findings are congruent with prior studies, which suggest that adolescents perceiving robust support are more likely to engage in adaptive coping strategies, exhibit heightened self-worth, and experience enhanced mental health and well-being (Wang et al., 2022). Furthermore, the study transcends the traditional view of social support merely as a moderator or buffer, and instead elucidates its active and process-oriented role in determining outcomes. This aligns with Positive Psychology, which underscores how children can thrive even amidst challenging conditions.

Third, the findings add support to core ideas associated with attachment theory. Mares and McMahon (2020) proposed that secure relationships early in life with caregivers provide a foundation for later social functioning, affecting how adolescents, in turn, call upon and use others for support. The fact that perceived social support mediates between bullying and mental health suggests that those adolescents who have built secure and trusting relationships are more able to access the support of their peers, family, and teachers when they are victimised. On the contrary, less secure individuals may be more vulnerable to the direct and secondary effects of being bullied. This theoretical understanding highlights the importance of secure attachment and supportive relationships in childhood and adolescence as

protective factors concerning bullying experiences and their effects on mental health (Nixon & Linkie, 2023).

In combining these three models, the study emphasises the need for comprehensive, multilevel models of adolescent mental health. Social support findings as a mediator of the bullying–mental health nexus between various demographic factors (although noting stronger pathways for age and gender) underscore the need for context-specific interventions. For example, the discovery that younger adolescents and girls report more supportive experiences and benefit more from them points to the importance of such interventions being developmentally stage- and gender-specific. Furthermore, the minimal attenuation observed in relation to socioeconomic status within this study indicates that the advantageous effects of social support tend to be broadly generalizable and largely independent of cultural and economic heterogeneity. Nevertheless, socioeconomic status should still be weighed as a potential moderating factor in subsequent research.

Policy Implications

Schools and policymakers should focus on promoting and fostering social support within educational institutions. This would involve delivering anti-victimisation and perpetration prevention through the promotion of relationships among students, educators, and parents, as part of evidence-based anti-bullying programmes. It is essential to educate school staff on how to identify victimisation and provide the necessary support. Family-centred programmes that build on cultural strengths in the local community can increase the social supports available to adolescents. Because younger adolescents and women are at a higher risk, intervention programs focusing on these individuals may yield the best results. Funds must be available to support all students (without discrimination based on socioeconomic status) who receive services. Furthermore, continued surveillance and evaluation of the effectiveness of interventions, as well as the impact of culture and context, will be crucial in fine-tuning approaches and ensuring their continued applicability to broader populations. This work emphasizes the need to integrate ecological systems theory into positive psychology perspectives to understand adolescents' mental health better. Empirical findings underscore the relationship between individual experiences, such as victimisation, and socio-cultural contexts, like perceived social support, in relation to mental health outcomes. This highlights the importance of theoretical models that focus on personal risk and protective mechanisms within the environments of adolescents. It would be desirable to prevent bullying by directing interventions at strengthening social support in educational centers. Efforts to foster peer relationships and encourage supportive behaviours among students may be an important strategy to reduce the psychological consequences of bullying. Schools should consider implementing programmes to teach students empathy, improve conflict resolution skills, and build peer support. For example, programmes could be developed in which older students provide support to their younger peers who have experienced bullying. From a policy standpoint, there is a

clear need for broad anti-bullying policies that concurrently focus on behavioural aspects of bullying, as well as encourage mental health services and support for student targets of bullying. It is essential that budget holders prioritise the funding of mental health provision in our schools and that all pupils, particularly those from deprived areas, have equal access, as they may be less able to access the support they need. Moreover, providing educators and school personnel with tools to identify bullying and create caring classroom environments can significantly improve the school climate.

Limitations of the Study

While this study presents potentially significant findings, it is imperative to recognize several limitations. Despite the advantage of the longitudinal design in facilitating the examination of changes over time, a notable drawback lies in the reliance on self-reported measures. These measures are susceptible to bias and may result in the misrepresentation or inaccuracies in accounts of bullying experiences or mental health issues. Self-reporting measures are prone to social desirability bias; participants may wish to downplay negative experiences or inflate positive experiences, such as social support, to avoid stigma or a perceived judgment. This more holistic view of how adolescents experience their lives could be further developed in future research studies that incorporate data from multiple informants (e.g., teachers, parents).

Notably, the sample was derived from five secondary schools in an urban area, so the findings may not be generalised to other populations or geographical locations. Youth who grow up in rural or minority communities may experience different patterns of bullying and the availability of social support. Accordingly, further research should endeavour to include diverse populations to increase the external validity. By having schools from various socioeconomic settings, we can gain insight into how context influences bullying experiences. While this study incorporated the mediating role of perceived social support in the context of the bullying-mental health relationship, other potential moderating factors—such as coping strategies or resilience factors—were not examined. Further research should investigate these additional variables to enhance understanding of the mechanisms by which adolescents manage the experience of bullying.

Future Research Directions

Further empirical investigation is warranted to elucidate the relationships among bullying, social support systems, and mental health outcomes through longitudinal research designs encompassing diverse population groups. Extended studies are beneficial in that they monitor trends over time and reveal cause-and-effect relationships between factors. Second, research should examine targeted interventions that aim to improve peer support networks in schools and their impact on reducing mental health problems related to bullying. For example, randomised controlled trials could be used to evaluate the impact of programmes aimed at

improving peer mentoring or providing students with tools to resolve conflicts. Additionally, qualitative research may provide insight into how adolescents perceive and experience the interplay between social support and bullying. To inform the development of targeted interventions rooted in the lived experiences of youth, it is essential to value the subjective narratives associated with these accounts. Employing focus groups or interviews as methodological tools can yield rich qualitative data concerning students' perspectives regarding their encounters with bullying and their coping mechanisms. Ultimately, comprehending the role of technology in both the facilitation and mitigation of bullying is paramount, particularly in light of the contemporary digital environment. As cyberbullying continues to increase, we need to understand better how online social support counters the negative mental health consequences associated with these risks. Research could also explore appropriate uses of digital platforms to create positive online communities where adolescents experiencing bullying can find support.

Conclusions

Aligned with these compelling findings, our thorough longitudinal analyses have unveiled robust evidence linking the distress of bullying victimisation to significant mental health issues in adolescents, notably intensifying anxiety and depressive symptoms. Crucially, our results underscore the pivotal influence of perceived social support as a seminal mediator in this critical association. High levels of such support act as a formidable shield, profoundly mitigating the psychological damage inflicted by bullying, underscoring the indispensable role of social support in safeguarding adolescent mental health. The protective role of social support illustrates how it serves as a multifaceted construct, involving emotional, informational, and instrumental assistance, that cumulatively contributes to adolescents' ability to be resilient and adaptive over time. The longitudinal design of the present study, incorporating multiple data collection waves and structural equation modeling (SEM), enhances existing scholarship on the mediating relationships between bullying and mental health issues through the mechanisms of social support over time. Contrasting much of the previous literature where social support has typically acted as a moderator, here the study highlights that social support is, in fact, a mediator that accounts for how bullying victimisation impacts mental health. This nuanced knowledge is crucial for interventions to be targeted, directed not only toward bullying behaviours but also toward increasing adolescents' social support. Additional demographic analyses revealed that younger adolescents and women tend to experience more social support, suggesting that age and gender should be considered when designing support mechanisms. These results challenge the need to develop a stratified intervention and prevention approach based on developmental phases and gender-specific considerations. The implications of this study are not trivial for educators, mental health professionals, and policymakers. Efforts to reduce the psychological distress associated with bullying through comprehensive school and community social support programmes are warranted. Facilitating peer assistance, familial connections, and educational

support can cultivate a more inclusive and nurturing environment, consequently enhancing the well-being of adolescents. Additionally, an examination of the interactions between bullying, social support, and mental health highlights the necessity for a comprehensive strategy capable of addressing the social and emotional facets of adolescent development. This study contributes to our understanding of adolescent peer dynamics by highlighting the adaptive role of social support in the enduring mental health consequences of bullying. Subsequent studies should further investigate the kinds and origins of support that are most beneficial and consider cultural and socioeconomic influences on these associations. Ultimately, the cultivation of strong social support networks is an important avenue for enhancing resilience and positive mental health outcomes for adolescents victimised by bullying.

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CHAPTER 10

RETHINKING AFFORDABLE HOUSING SOLUTIONS FOR LOW-INCOME COMMUNITIES AS A PATHWAY TO SUSTAINABLE DEVELOPMENT IN AFRICA

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Abstract

Africa's housing dilemma stands at the crossroads of rapid urbanization, economic expansion, and deepening inequality. Despite hosting some of the world's fastest-growing cities, the continent faces an estimated deficit of over 50 million housing units, with Nigeria alone accounting for 22 million (CAHF, 2023). As urban populations are projected to double by 2050 to exceed 1.5 billion people (UN DESA, 2022), more than 60% of city dwellers already reside in informal settlements that perpetuate poverty, health risks, and climate vulnerability. This chapter reimagines affordable housing not merely as a physical necessity but as a strategic instrument for sustainable transformation—a driver of equity, resilience, and inclusive prosperity. Through conceptual, theoretical, and empirical lenses, the study interrogates how innovative financing mechanisms, community-led models, and green construction technologies can reposition Africa's housing challenge as a platform for sustainable growth and social renewal.

Empirical insights from Ethiopia, Kenya, and Nigeria reveal that investment in affordable housing generates far-reaching socio-economic dividends. Ethiopia's Integrated Housing Development Programme has created over 200,000 jobs, while Nigeria's Family Homes Funds demonstrates how social housing simultaneously advances poverty reduction and SME growth. Yet, systemic constraints—weak land governance, mortgage penetration rates below 5% across most Sub-Saharan economies, and institutional fragmentation—continue to impede progress. The chapter contends that rethinking affordability requires embedding green finance, inclusive land reforms, and circular construction systems within Africa's urban frameworks.

This study argues that affordable housing is a catalyst for resilient cities, equitable economies, and intergenerational justice. Anchored in Agenda 2063 and aligned with the Sustainable Development Goals (SDG 1, 3, 5, 11, and 13), the chapter advances a transformative vision where housing policy becomes a fulcrum for climate adaptation, social inclusion, and sustainable urban futures.

Keywords: *Affordable Housing, Housing Deficit, Institutional Reform, Land Governance, Africa*

Introduction

Housing continues to be one of the essential pillars of human welfare, serving as a basis for livelihoods, social integration, and economic prospects. It is not just a physical space for protection but a complex resource that influences health, educational success, safety, and enduring economic advancement (UN-Habitat, 2020). In Africa, as urban populations expand at extraordinary rates, housing has emerged as both a critical issue and a strategic chance for fostering sustainable development.

The housing crisis across the continent is characterized by its intensity and magnitude. The Centre for Affordable Housing Finance in Africa (CAHF, 2023) reports that the continent has a shortfall of over 50 million housing units, with Nigeria representing more than 22 million of this total. Urbanization is amplifying this demand, the United Nations Department of Economic and Social Affairs (UN DESA, 2022) forecasts that Africa's urban population will increase twofold by 2050, exceeding 1.5 billion individuals. Over 60% of city dwellers already live in informal settlements (UN-Habitat, 2022), highlighting the significant consequences. The growth of slums not only deteriorates living conditions but also reinforces cycles of poverty, intensifies inequality, and heightens susceptibility to climate and health crises.

The gap in affordability is one of the significant obstacles to suitable housing. In numerous African cities, the price of a basic formal home is several times greater than the yearly earnings of a low-income family. In Kenya, the cost of a basic unit in the formal sector is approximated at USD 20,000, whereas the yearly income for the lowest 40% of households is below USD 2,000 (Cytonn Investments, 2023). Mortgage markets continue to be limited, exhibiting penetration rates under 5% in the majority of sub-Saharan Africa (World Bank, 2021). Consequently, most households depend on gradual self-building, leading to low-quality, unsafe, and unregulated housing (CAHF, 2023).

The impacts reach beyond housing. Housing is closely linked to several aspects of sustainable development. It is established in the Sustainable Development Goals (SDGs), specifically SDG 11: "Ensure that cities and human settlements are inclusive, safe, resilient, and sustainable" (United Nations, 2015). Nonetheless, housing is also associated with SDG 1 regarding poverty elimination, SDG 3 focused on health and well-being, SDG 5 concerning gender equality, and SDG 13 related to climate action. Insufficient housing results in overcrowding, poor sanitation, and vulnerability to environmental risks, which subsequently contribute to health issues like respiratory diseases, waterborne infections, and mental health strain (WHO, 2021). On the other hand, affordable and sustainable housing can

serve as a catalyst, decreasing poverty, increasing productivity, and promoting climate resilience (UMDF, 2022).

At the policy level, affordable housing has become increasingly significant in Africa's overall development strategies. The African Union's Agenda 2063 outlines a vision for "inclusive growth and sustainable development," emphasizing that adequate housing is essential for social equity (African Union Commission, 2015). Likewise, the African Development Bank (UMDF, 2022) has recognized housing finance as an essential area for promoting inclusive growth, generating jobs, and enhancing industrial competitiveness. However, in spite of the acknowledgment, execution continues to be disjointed, as insufficient land governance, restricted financing options, and inadequate involvement from the private sector hinder advancement (World Bank, 2021).

Housing has been acknowledged worldwide as a human right, established in the International Covenant on Economic, Social and Cultural Rights (ICESCR, 1966), which affirms that everyone has the right to an adequate standard of living, encompassing housing. For Africa, this ethical and legal obligation is intensified by the continent's demographic path. With over 60% of Africans being younger than 25, the need for affordable housing involves not just tackling the current shortfall but also getting ready for future generations (UN DESA, 2022).

Additionally, the housing sector connects with wider macroeconomic progress. The construction sector is a significant employer, especially for low- and semi-skilled workers. Increasing affordable housing can hence support job creation, local material manufacturing, and domestic value chains. For instance, Ethiopia's Integrated Housing Development Programme has generated more than 200,000 employment opportunities in construction and related sectors (UN-Habitat, 2014), while also tackling housing shortages. In the same vein, Nigeria's Family Homes Funds connects the provision of affordable housing with generating employment and supporting small businesses (Family Home Funds, 2021), highlighting the sector's potential as an economic driver.

The housing crisis cannot be separated from climate change. African urban areas are currently experiencing increasing dangers from flooding, heat stress, and various climate-related threats (IPCC, 2022). Badly constructed informal settlements face these risks more than others, frequently situated in flood-prone areas, coastal regions, or hazardous urban outskirts. Sustainable housing solutions that utilize energy efficiency, durable materials, and inclusive urban planning are thus essential for adapting to climate change. Incorporating green building methods, renewable energy sources, and local materials into affordable housing can lower environmental impacts while also improving resilience for at-risk communities (World Bank, 2022).

Despite these opportunities, difficulties remain deeply rooted. Weak land tenure arrangements, speculative real estate markets, restricted access to long-term financing, and gaps in institutional capacity persist in obstructing advancement (CAHF, 2023). Cultural and socio-political factors, such as opposition to urban density increases and discriminatory zoning practices, make housing provision more challenging (UN-Habitat, 2022). These difficulties highlight the necessity for innovative solutions that integrate policy changes, financial advancements, and community driven models.

This chapter establishes affordable housing as a fundamental element of sustainable development in Africa. It explores the housing dilemma through conceptual, theoretical, and empirical perspectives, positioning housing not only as a technical or economic problem but as a complex catalyst for equity, resilience, and human advancement. Utilizing case studies from Ethiopia, Kenya, Nigeria, and other global examples, it showcases the challenges and the prospects in providing affordable housing on a large scale.

By integrating conceptual insights, theoretical viewpoints, empirical evidence, and practical experiences, the chapter adds to an expanding body of research that regards housing as a vital development necessity. It contends that tackling Africa's housing issues demands both technical approaches and systemic transformation anchored in equity, resilience, and inclusiveness. In this manner, affordable housing evolves into not only a societal benefit but also a transformative plan for the continent's sustainable urban future.

Conceptual Framework

In the African context, housing is more than just a physical entity, it is a complex good that intertwines with matters of affordability, sustainability, inclusivity, and citizenship. This chapter employs a conceptual framework that incorporates these aspects, placing affordable housing within the wider conversation of sustainable development and urban equity.

Affordable Housing

Affordable housing is generally recognized as housing that fulfills basic requirements for adequacy, security, and livability without excessively straining household income. The United Nations characterizes affordable housing as housing that costs no more than 30% of a family's income (UN-Habitat, 2020). In Africa, the idea goes beyond affordability ratios to encompass service accessibility, secure land tenure, and resilience to socioeconomic challenges. For example, a low-income household residing in an informal settlement lacking legal land rights might confront eviction at any moment, making affordability irrelevant without tenure security.

In numerous African urban areas, the affordability disparity is intensified by systemic problems within the housing market. Formal housing projects typically focus on middle- and upper-income demographics, leaving most low-income earners unable to afford them (World Bank, 2021). Consequently, the overwhelming number of city dwellers depends on gradual self-building or informal leasing. In this context, affordable housing must be redefined not just in financial terms but also through social equity, ensuring that low-income individuals have access to homes that offer safety, dignity, and chances for upward mobility.

Housing and Sustainable Development

The connections between housing and sustainable development are widely recognized. Sufficient housing is essential for achieving various Sustainable Development Goals (SDGs), especially SDG 11, which aims to “create inclusive, safe, resilient, and sustainable cities and human settlements” (UN-Habitat, 2022). Apart from SDG 11, housing is linked to SDG 1 (no poverty), SDG 3 (good health and well-being), SDG 5 (gender equality), and SDG 13 (climate action).

From a sustainability viewpoint, housing encompasses not only provision but also quality, resilience, and environmental integration. Badly constructed communities frequently do not have access to safe water, sanitation, and energy, reinforcing cycles of poverty and illness. Simultaneously, housing consumes considerable natural resources and contributes to carbon emissions. Sustainable housing in Africa should, therefore, incorporate energy efficiency, environmentally friendly construction methods, and climate-resilient materials. For instance, bamboo-based construction and compressed earth blocks have demonstrated promise in lowering environmental impacts while being cost-effective (UN-Habitat, 2020).

Sustainability includes both economic and social aspects. Low-cost housing fosters local economic growth by boosting construction sectors, generating employment, and establishing domestic value chains. It encourages inclusion, diminishes inequalities, and nurtures stable, unified communities. Consequently, viewing housing as a fundamental component of sustainable development transforms it from a sectoral issue into a driving force for development (CAHF, 2023).

Inclusivity and Accessibility

Inclusiveness is a fundamental aspect of the housing discussion. Housing extends beyond mere physical shelter; it encompasses access to urban opportunities such as transportation, education, healthcare, and job prospects. In Africa, patterns of urban growth that exclude certain populations frequently push low-income communities to outskirts, distant from employment and services, resulting in elevated commuting expenses and restricted mobility (World Bank, 2021).

As a result, inclusive housing strategies focus on affordability along with site selection. A home might be affordable in terms of finances but can still lead to social

exclusion if it is located far from economic and social resources. Ideas of accessibility emphasize the significance of closeness, connectivity, and incorporation into urban systems. Furthermore, inclusivity necessitates that housing policies focus on vulnerable populations, such as women, individuals with disabilities, and migrants, who encounter multiple obstacles in securing suitable housing.

The concept of universal design is especially pertinent in this context. By making certain that housing and urban areas are accessible to everyone including individuals with mobility challenges, seniors, and children. Communities foster environments that are fairer and more sustainable. In Africa, where the estimated prevalence of disability exceeds 15% of the population, incorporating universal design into affordable housing represents both a rights-based and practical solution (World Health Organization [WHO], 2022).

The Right to the City

The concept of the Right to the City, defined by Henri Lefebvre (1968/1996) and further developed by David Harvey (2012), offers an important perspective for understanding housing in Africa. The right to the city encompasses not just personal rights to housing but also communal rights to engage in the development of urban areas (United Cities and Local Governments [UCLG], 2019). It underscores that every city resident, irrespective of their financial status, has the right to access, live in, and shape the urban environment. (Pieterse & Simone, 2020).

In African environments, where informal settlements frequently face stigma and are left out of formal planning, the right to the city confronts exclusionary policies and promotes inclusive urban governance. Affordable housing, when viewed through this lens, is not merely a product but a social right and a pathway to complete urban citizenship. This suggests that authorities must safeguard low-income communities from being displaced and make certain that urban growth does not worsen inequality (Harvey, 2012; Lefebvre, 1968/1996).

Incorporating the Framework

Combining these ideas, this chapter utilizes a framework that perceives affordable housing as:

- A multifaceted asset (affordably obtainable, socially equitable, ecologically sustainable).
- A human right (based on international agreements like the International Covenant on Economic, Social and Cultural Rights, 1966).
- A catalyst for development (directly connecting to several SDGs and Africa's Agenda 2063).

By placing affordable housing within these overlapping discussions, the framework offers a comprehensive foundation for examining Africa's housing emergency. It

emphasizes that solutions need to extend past limited cost-focused definitions and adopt comprehensive methods that incorporate social equity, environmental sustainability, and urban citizenship.

Conclusion

In conclusion, the conceptual framework illustrates that affordable housing in Africa should be viewed beyond limited financial measures. It combines affordability, sustainability, inclusivity, and the right to the city as interrelated aspects that influence access and equity. By placing housing within these discussions, the framework emphasizes its significance as a complex asset, a fundamental right, and a driver for development, laying the groundwork for the subsequent theoretical analysis

Theoretical Review

Understanding Africa's affordable housing issue necessitates utilizing theoretical frameworks that clarify the reasons for ongoing deficits and how solutions can be directed. Four essential viewpoints; capability approach, theories of justice, informal and self-help theories, and political economy provide strong frameworks for analysis.

Capability Approach and Human Development

Amartya Sen's Capability Approach (1999) focuses on the genuine freedoms and possibilities individuals have to lead lives they value. Housing is vital for attaining fundamental capabilities like health, safety, and education. In African settings, informal settlements frequently lack services and subject inhabitants to risks, leading to increased housing deficiencies that exacerbate deprivation (Sen, 1999). Current studies back this perspective. For example, agent-based modeling frameworks currently utilize the capability approach to simulate homelessness policy formulation in development scenarios, highlighting the ongoing significance of Sen's framework in housing justice.

Theories of Social Justice and The Rights to the City

Theories of justice emphasize housing as an issue of equity. Rawls's (1971) justice as fairness requires that social goods be distributed to benefit the least advantaged. Policies for affordable housing should therefore focus on marginalized communities.

The concept of the right to the city, proposed by Lefebvre (1968/1996) and expanded upon by Harvey (2012), frames housing as a shared right rather than a market product. Recent critiques of institutions in Ghana from a postcolonial perspective reveal that housing injustices are fundamentally linked to political power and historical inequalities, instead of merely being due to market failure (Ampofo et al., 2024). These analyses resonate with Harvey's appeal for fair urban rights.

Informality, Self-Help, and Adaptation

John Turner's (1976) self-help housing model emphasizes how household-driven homebuilding evolves incrementally out of necessity and shows practical adaptability. Recent literature still acknowledges the strengths of this model.

A 2024 research in South Africa shows that self-help housing is empowering but hindered by insufficient skills, the exclusion of at-risk groups, and misalignment with policies (Qumbisa, Emuze, & Smallwood, 2024). Likewise, the urban impoverished in Lagos, Nigeria, depend on informal housing methods like microfinance, cooperative groups, and rentals to address their shelter requirements (Ampofo et al., 2024). These studies validate that self-help processes demonstrate both individual agency and systemic constraints.

Political Economy of Housing

Housing cannot be comprehended independently from larger frameworks of capital and governance. Neoliberal approaches have led to state withdrawal, commercialization, and exclusion from official systems.

A 2023 study in *International Political Economy* presents “institutional hybridity” to illustrate how postcolonial nations concurrently handle informal housing via clientelist tolerance and repression, further entrenching exclusion (Khan, 2023). In Uganda, a study of Kisekka Market in Kampala reveals how informal areas serve as places of both wealth generation and loss, sustained by neoliberal accumulation processes (Young, 2021).

Moreover, housing microfinance as an informal financial solution has swiftly grown throughout Africa, filling voids where conventional mortgages fall short (Goodfellow & Özogul, 2023). Though this shows flexibility, it also reveals underlying problems in housing finance systems.

Integrating Perspectives: A Pluralist Framework

Collectively, these theories provide a deep, complex insight:

- The capability approach highlights housing as essential for human dignity and freedoms.
- The theory of justice emphasizes equitable distribution and fair access.
- Perspectives on self-help and informality acknowledge adaptive strategies, even in the face of exclusion.
- A critique of political economy exposes how neoliberal frameworks sustain inequality.

In a recent IMF feature, Rust (2024) highlights that informal housing systems despite being inefficient are flexible and function as crucial economic and spatial strategies. Casual builders utilize mobile technologies, blockchain property

records, and remittances to function beyond official markets, showcasing both creativity and need.

Therefore, a pluralistic theoretical framework exposes housing issues as not merely technical difficulties but as ethical, systemic, and profoundly political crises. It provides a fundamental perspective for policies and practices in African housing systems emphasizing the necessity for solutions that enhance capacities, redistribute resources, respect agency, and eradicate structural obstacles.

Conclusion

Collectively, the theoretical viewpoints demonstrate that Africa's housing crisis is not just a technical problem but a systemic challenge grounded in justice, agency, and political economy. The capability approach emphasizes dignity and liberty; justice theories focus on fairness and inclusion; self-help frameworks promote adaptability; whereas critiques from political economy reveal systemic inequalities. This pluralistic perspective indicates that sustainable solutions should strengthen capacities, redistribute resources, honor community agency, and tackle structural obstacles, preparing the groundwork for empirical evidence.

Empirical Review

Research on affordable housing in Africa shows a complicated interaction of demand, supply, policy, finance, and informality. This review utilizes studies and reports released since 2020 to present an extensive overview of the housing situation throughout the continent. Four main areas are highlighted: housing needs and shortages, informal housing trends, policy and institutional structures, and new developments in finance and building.

Housing Demand and Deficits

Africa's population is expected to nearly double by 2050, with urban areas increasing at an annual rate of 3.5%, the highest globally (UN-Habitat, 2022). This population trend leads to unparalleled demand for housing. Recent estimates indicate a shortfall of 51 million housing units throughout the continent, with Nigeria responsible for 28 million of that total (Centre for Affordable Housing Finance in Africa [CAHF], 2023).

Empirical evidence reveals significant discrepancies in affordability. In Kenya, under 2% of officially built units are accessible to low- and lower-middle-income families (CAHF, 2022). A World Bank report from 2023 indicated that more than 80% of urban households in Sub-Saharan Africa are unable to afford housing financed by mortgages, considering the average house prices in relation to incomes (World Bank, 2023).

These deficiencies are not just numerical but also qualitative. In nations like Ethiopia, Tanzania, and Ghana, low construction standards, restricted access to

infrastructure, and insufficient service delivery threaten housing adequacy. Research consistently indicates that despite a rise in housing supply, issues of affordability and quality persist unresolved (Kamana, Radoine, & Nyasulu, 2023).

Informal Housing and Incremental Development

Informality prevails in African housing structures. Over 60% of urban households live in informal settlements, with nations such as Mozambique, Sudan, and Sierra Leone seeing figures surpassing 70% (UN-Habitat, 2022).

Recent empirical research supports John Turner's (1976) assertion that self-help and incremental housing are not failures but logical reactions to exclusion from official systems. In Accra, Ghana, Ampofo et al. (2024) report that informal settlements arise due to land tenure instability, restrictive planning, and elevated formal housing expenses. Their comprehensive review indicates that informal housing continues to be a lasting and flexible solution, though it comes with compromises in safety and facilities.

Beneficiary surveys of government-assisted self-help housing initiatives in South Africa revealed that incremental housing fostered a sense of agency but marginalized vulnerable populations like the elderly and individuals with disabilities (Qumbisa, Emuze, & Smallwood, 2024).

Research indicates that in Nigeria, informal housing is the main shelter choice for low-income families in Lagos, with incremental financing facilitated by rotating savings groups, microloans, and remittances from the diaspora (Rust, 2024). These results demonstrate the mixed nature of African housing markets, where informal and formal systems coexist and rely on one another.

Policy and Institutional Frameworks

Policy strategies have differed among African nations, yet the majority encounter obstacles in expanding implementation. Kenya's "Big Four Agenda" set a goal to create 500,000 affordable housing units from 2018 to 2022, yet less than 10% of this goal was met (CAHF, 2023). Research identifies this disparity as stemming from financial obstacles, corruption, and poor coordination between central government and county-level execution (The Conversation, 2021).

In Nigeria, the National Housing Policy (2021) still highlights the importance of public-private partnerships (PPPs). Nonetheless, proof indicates that these primarily advantage middle-income earners, with minimal benefits reaching the urban poor (Owotemu, Daniel, & Abubakar, 2022).

South Africa's Reconstruction and Development Programme (RDP) continues to be one of the largest housing initiatives on the continent, providing more than 3 million units since 1994. However, recent evaluations indicate a drop in quality, inadequate maintenance, and sluggish delivery (Scheba & Turok, 2020).

Additionally, RDP housing frequently places beneficiaries in outlying areas, exacerbating spatial segregation.

Weaknesses within institutions also significantly contribute. Obstacles in land administration, poor enforcement of planning regulations, and corruption disrupt housing markets. A 2023 study on International Political Economy emphasizes that the postcolonial "hybridity" of institutions in African nations leads to conflicting policies allowing informality while also suppressing it (Khan, 2023).

Housing Finance and Affordability

Empirical data shows that the lack of access to affordable housing financing is the primary obstacle for households with low to moderate incomes. In Sub-Saharan Africa, mortgage penetration is under 5% of GDP, while advanced economies see rates of 20–80% (World Bank, 2023).

New financial solutions are emerging. Housing microfinance has expanded in nations like Kenya, Uganda, and Tanzania, providing small loans for gradual building. CAHF (2023) indicates that microfinance better matches the income streams of low-income households compared to mortgages. Nonetheless, loan amounts are limited, and interest rates continue to be elevated.

Emerging digital platforms demonstrate potential as well. In Nigeria, fintech companies are offering different credit scoring systems to improve access to housing finance, while Ghana is testing blockchain land registries to strengthen tenure security (Rust, 2024).

However, empirical research warns that in the absence of regulatory frameworks and financial support, such innovations may leave the most impoverished households behind. Financing approaches need to be combined with wider social housing policies to guarantee inclusivity.

Construction Innovation and Sustainability

The building industry is evolving with innovative technologies and materials to sustainably address housing demands. A study in Rwanda from 2022 showed that employing compressed stabilized earth blocks (CSEBs) led to a 25% cost reduction and a 40% decrease in carbon emissions when compared to traditional cement blocks (Global Green Growth Institute [GGGI], 2020). Likewise, bamboo construction initiatives in Ethiopia are being evaluated as scalable, affordable, and climate-resilient options (Habitat for Humanity, 2021).

Nonetheless, practical evidence indicates that uptake is sluggish due to minimal awareness, significant initial costs, and opposition from developers (UN-Habitat, 2022). Closing this gap necessitates robust policy incentives and platforms for sharing knowledge.

Synthesis of Regional Patterns

Empirical studies reveal striking variations in housing dynamics across Africa's regions, yet they also expose shared vulnerabilities. In West Africa, particularly Nigeria and Ghana, chronic shortages of housing finance force households to rely heavily on informal construction, with diaspora remittances playing a decisive role in sustaining shelter provision (CAHF, 2023). East Africa presents a different trajectory, where Kenya, Tanzania, and Rwanda experiment with public-private partnerships and microfinance. Yet even with such innovations, affordability remains elusive for the majority (The Conversation, 2021).

In Southern Africa, South Africa's Reconstruction and Development Programme (RDP) stands as one of the continent's most extensive housing initiatives. Still, its legacy is tempered by persistent questions of quality, equity, and long-term sustainability (Scheba & Turok, 2020). Meanwhile, North Africa, led by Morocco and Egypt, has pioneered state-backed social housing, though critics argue these schemes fall short in reaching the poorest (World Bank, 2023).

Across these diverse landscapes, structural affordability gaps, dependence on informality, and constrained institutional capacity remain common threads shaping Africa's housing challenge. The empirical data emphasizes a contradiction. Africa's housing systems are marked by shortages, exclusion, and institutional shortcomings. Conversely, they show resilience and adaptability via informal offerings, incremental funding, and creative building methods.

The literature indicates that housing in Africa represents a developmental challenge as well as a testing ground for innovation. Informality isn't just an indication of failure; it's an alternative system that satisfies needs in ways that formal arrangements cannot. However, in the absence of governmental action, inequality continues, and at-risk populations are neglected.

Consequently, empirical research verifies the necessity for mixed housing approaches that integrate, Reforming policies (to tackle issues related to land, finance, and governance), support for informal systems (incremental housing, microfinance, tenure stabilization) merging with creativity (eco-friendly building, online networks).

The empirical research indicates that although African housing systems experience shortages, exclusion, and fragile institutions, they also demonstrate resilience and innovation. Unplanned housing, small loans, and gradual building reflect community resilience, while new technologies and eco-friendly materials reveal potential for expandable answers. Nevertheless, ongoing disparities in affordability, finance, and governance emphasize the importance of unified strategies that merge policy changes, backing for informal systems, and innovation. These results offer background for the Nigeria, Kenya, and South Africa case studies.

Case Analysis and Discussion

The housing crisis across Africa is not a uniform issue. Although structural factors like fast urban growth, poverty, and poor governance are common, the housing outcomes in each country are influenced differently by its specific institutional, political, and economic context. This section examines three important case studies Nigeria, Kenya, and South Africa extracting insights for the entire continent.

Nigeria: The Paradox of Abundance and Deficit

Nigeria features one of the most contradictory housing scenarios in Africa. Facing an estimated housing shortfall of 28 million units, it has one of the biggest backlogs worldwide (CAHF, 2023). Nevertheless, Nigeria possesses extensive land, plentiful construction materials, and one of the largest construction industries in Africa.

Institutional Fragmentation

In Nigeria, housing provision is hindered by institutional disarray. Responsibilities are distributed among federal, state, and local governments, yet conflicting mandates and variable implementations lead to inefficiencies. The 2021 National Housing Policy highlighted public-private partnerships (PPPs), yet empirical research shows that these initiatives primarily serve middle- and high-income populations (Owotemu et al., 2022).

Affordability Barriers

Formal housing in Nigeria is beyond the financial reach of most people. Mortgage penetration continues to be under 1% of GDP, in contrast to 31% in South Africa (World Bank, 2023). Typical mortgage interest rates range from 18% to 22%, rendering them unaffordable for low-income families. As a result, more than 70% of city households depend on unofficial housing options (Rust, 2024).

Informality, Resilience and Policy Lessons

In Lagos, more than two-thirds of the city's population live in informal settlements. Incremental building funded by rotating savings groups, cooperative organizations, and remittances from the diaspora is the primary approach (Opoko et al., 2020). In spite of unstable housing rights and the risk of eviction, informal housing arrangements exhibit resilience by supporting swift population increases. Nigeria's situation emphasizes the restrictions of market-driven PPPs and stresses the necessity for reform of land tenure to formalize informal settlements, growth of housing microfinance designed for gradual construction in a bid to enhance institutional collaboration among government levels.

Kenya: Ambitious Agendas, Limited Delivery

Kenya has emerged as a key player in discussions about affordable housing because of its bold Affordable Housing Programme (AHP), a cornerstone of the "Big Four Agenda" initiated in 2018. The AHP aimed for 500,000 affordable units by 2022 but reached under 10% of that target (The Conversation, 2021).

The Potential of PPPs and Financing Constraints

Kenya established PPPs as the main strategy for enhancing service delivery. Initiatives like the Park Road Ngara housing estate demonstrated innovative financing and delivery models, merging public land with private developer funding (CAHF, 2022). Nevertheless, although PPPs generated tangible pilot initiatives, they encountered issues related to funding, governmental red tape, and restricted affordability for low-income communities. The gap in affordability is especially significant in Kenya. CAHF (2023) indicates that merely 2% of newly constructed formal units are within reach for households earning under the median income. The mortgage-to-GDP ratio in the nation stays below 3%, and the typical loan amount significantly surpasses the ability of most households.

The Kenya Mortgage Refinance Company (KMRC), founded in 2018 with assistance from the World Bank, sought to enhance long-term housing financing. Although KMRC has refinanced a large number of loans, the uptake is still limited, with the majority of beneficiaries being middle-income earners (World Bank, 2023).

Informality with Urban Development and Policy Lessons

Informal housing greatly predominates in Kenyan urban areas. In Nairobi, more than 60% of residents live in slums that take up under 10% of the land (UN-Habitat, 2022). Studies indicate that enhancement initiatives like the Kibera Slum Upgrading Programme have yielded varied outcomes, frequently displacing inhabitants or resulting in unaffordable housing. Kenya's experience showcases both the potential and challenges of bold national housing initiatives. It highlights the necessity to focus on subsidies, specifically on low-income populations, balance PPP-driven delivery with gradual enhancements while improving urban development to avoid speculative displacement

South Africa: Scale without Equity

South Africa is frequently regarded as the most ambitious example of state-driven housing provision in Africa. Beginning in 1994, the Reconstruction and Development Programme (RDP) has provided over 3 million housing units, aiding around 20% of the population (Scheba & Turok, 2020). However, ongoing deficits and disparities still exist.

Achievements of Scale

The magnitude of South Africa's distribution is unparalleled in Africa. Complete townships have been built, decreasing homelessness and noticeably enhancing housing availability for numerous individuals. South Africa is set apart from many counterparts by a robust institutional framework and ongoing government funding (Lemanski, 2020).

Quality and Location Challenges

Nonetheless, empirical research indicates major deficiencies. RDP houses are frequently constructed with substandard materials and insufficient services, resulting in what Scheba and Turok (2020) describe as a “quantity over quality” mindset. Additionally, RDP projects are often situated on the edges of cities, reinforcing apartheid-era spatial disparities by isolating the impoverished from economic prospects.

Policy Innovation and Lessons

Recent changes have highlighted enhancing informal settlements and advocating for social housing in more desirable locations. The Social Housing Regulatory Authority (SHRA) promotes rental solutions for low- to middle-income individuals; however, funding and provision are still constrained compared to the demand (CAHF, 2022). The South African experience highlights the need to balance housing quantity with quality, ensuring standards are not sacrificed for numbers. Equally vital is spatial fairness in site selection, where proximity to opportunities matters. Beyond ownership, embracing rental and social housing models broadens inclusivity and strengthens urban resilience.

Table 5.1: Comparative Case Study Analysis on Affordable Housing

Country	Key Strengths	Major Weaknesses	Dominant Provision Method	Policy Lessons
Nigeria	Expanding construction sector; abundant land and materials; active informal financing through savings groups and remittances	Institutional fragmentation; mortgage penetration <1% of GDP; high interest rates (18–22%); weak tenure security	Predominantly self-help housing & incremental construction	Formalize informal settlements; expand housing microfinance; improve coordination across government tiers
Kenya	Ambitious Affordable Housing Programme (AHP); successful PPP pilots (e.g., Park Road Ngara); establishment of Kenya Mortgage Refinance Company (KMRC)	Affordable housing delivery target (500,000 units) fell short; majority of units inaccessible to low-income households; bureaucratic delays	PPP-driven delivery with persistent reliance on informal housing in slums	Balance PPP delivery with slum upgrading; introduce subsidies for low-income households; safeguard against displacement

Country	Key Strengths	Major Weaknesses	Dominant Provision Method	Policy Lessons
South Africa	Large-scale state-led housing programme (RDP: >3 million units delivered); strong institutional frameworks; reliable public financing	Quantity prioritized over quality; peripheral housing locations reinforce spatial inequality; limited social and rental housing	State-led mass housing supplemented by limited social rental housing	Balance delivery scale with quality; prioritize spatial justice in housing allocation; expand social and rental housing programmes

Source: Authors Construct, 2025

Comparative Insights

An examination of the three national cases reveals both striking parallels and instructive differences in the dynamics of housing provision. What converges across Nigeria, Kenya, and South Africa is the enduring crisis of affordability. Formal housing markets remain skewed toward middle- and high-income earners, leaving the majority excluded from accessible options. Informality therefore continues to dominate as the primary mode of provision, reflecting both the ingenuity of households and the inability of formal systems to meet demand. At the same time, institutional weaknesses—whether fragmented governance in Nigeria, bureaucratic hurdles in Kenya, or entrenched spatial inequities in South Africa—consistently obstruct progress.

Yet the divergences are equally telling. Nigeria’s housing challenge is largely institutional and financial, shaped by an underdeveloped mortgage system and divided governance structures that stall reform. Kenya demonstrates the limits of ambitious public–private partnerships, where lofty housing targets have faltered against the stubborn realities of affordability and weak implementation. South Africa, in contrast, shows that scale is attainable through extensive programs such as the RDP. However, questions of equity, quality, and integration remain unresolved, leaving many communities marginalized even within a high-volume delivery system.

Taken together, these patterns affirm that Africa’s affordable housing crisis cannot be reduced to a technical problem of supply. It is, at its core, a deeply political and institutional challenge that demands both structural reform and visionary leadership.

Insights For Policy And Practice

The case studies reveal that meaningful progress in housing across Africa requires policy and practice to move beyond conventional prescriptions. Five powerful insights stand out, each shaping the contours of a more inclusive and resilient housing future.

First, housing finance must be recalibrated to the economic realities of households. Mortgages remain out of reach for the majority, making microfinance, affordable rental options, and support for incremental construction far more practical. Financing that grows with household incomes empowers families to build progressively without falling into debt traps.

Second, institutional coordination emerges as indispensable. Fragmented mandates and overlapping responsibilities among government agencies often breed inefficiency and wasted resources. Clear roles, effective collaboration, and accountability mechanisms are essential to streamline interventions and avoid the pitfalls of redundancy.

Third, the persistence of informality demands a shift in policy mindset. Rather than punishing informal builders and settlements, governments should enable gradual improvements, tenure security, and regularization processes that legitimize what already sustains millions. By transforming informality into a platform for innovation, housing systems can expand inclusively.

Fourth, the principle of spatial justice cannot be ignored. Housing is not just about numbers delivered; it is about proximity to jobs, transport, schools, and healthcare. Locating homes in isolation undermines livelihoods, while well-situated housing nurtures opportunity, dignity, and social cohesion.

Finally, hybrid approaches provide the most promising pathway. Blending public–private partnerships with targeted subsidies and the vitality of community-led systems creates a flexible architecture capable of addressing diverse needs. Such integration balances efficiency with equity, and innovation with accessibility.

Together, these insights chart a pragmatic yet imaginative direction on housing policy and practice that transcends silos and speaks directly to the lived realities of Africa’s urban future. Essentially, a comparative analysis of the three cases reveals that, despite varying contexts, all nations encounter affordability challenges, institutional shortcomings, and significant dependence on informal sectors. Nigeria exemplifies the difficulties of divided governance, Kenya showcases the shortcomings of PPP-focused delivery, and South Africa reveals that size by itself does not guarantee fairness. The overall takeaway is that no single approach is adequate; hybrid methods combining public services, private collaborations, and community-led initiatives are crucial

Conclusion and Policy Implications

The housing issue in Africa involves more than just physical structures; it encompasses dignity, justice, and the right to live in spaces that foster human potential. With cities across the continent growing at unmatched speeds, housing is at the heart of discussions regarding inequality, urban management, and sustainable progress. This chapter has examined the theoretical foundations, empirical experiences, and case studies influencing the continent's housing path, and it now shifts to the consequences for policy and practice.

Key Findings

The analysis reveals five key findings;

The housing shortfall continues to exist after years of endeavor, as official housing markets still fall short of fulfilling the requirements of most people. Aspirational initiatives have led to noticeable developments but do not meet the necessary scale and cost-effectiveness.

Secondly, informality prevails in African housing systems. Rather than being peripheral, informal settlements accommodate most urban inhabitants, providing adaptable yet unstable arrangements. Incremental building and community funding continue to be the most prevalent approaches.

Third, a noticeable disparity exists between ambition and execution. From Nigeria's fragmented policies to Kenya's struggling Affordable Housing Programme and South Africa's large-scale delivery with restricted equity, the continent's prominent initiatives highlight both advancement and constraints.

Fourth, institutional fragility is a persistent obstacle. Fragmentation, corruption, and redundant mandates hinder delivery and leave out the specific groups that policies intend to assist. In the absence of robust governance and accountability, even well-crafted programs struggle.

Ultimately, the review indicates that resilience and innovation thrive within African housing systems. Microfinance approaches, cooperative frameworks, eco-friendly construction materials, and digital land resources highlight community-based solutions that could expand with appropriate assistance.

Policy Implications

These findings result in five significant implications for policy and practice;

Adopt informality as a component of the solution; Policies ought to assist, not penalize, the countless individuals who develop gradually or live in informal communities. Enhancing, regularizing tenure, and collaborating with local organizations can fortify these systems and render them safer and more secure.

Broaden the sources of housing funding; Most households will find mortgages unattainable. Expanding housing microfinance, cooperative savings programs, and rent-to-own strategies aligns more closely with income situations. These tools need to transition from experimental initiatives to standard financial policy.

Enhance organizations and collaboration; Optimizing duties among national, regional, and local tiers is essential. Transparency and accountability in land management will not only accelerate housing provision but also rebuild trust between governments and the public.

Reorient housing in strategically located, serviced regions; Merely increasing the number of houses won't resolve the crisis if they are located away from jobs and prospects. A renewed focus on spatial justice placing affordable housing close to transit, educational institutions, and jobs would shift housing from a mere shelter initiative to a catalyst for urban equity.

Amplify innovation and sustainability; Innovative practices spanning from fintech solutions to sustainable building technologies require focused investment, policy support, and knowledge-sharing networks to achieve widespread adoption. Affordable housing needs to be connected with climate resilience and sustainability for it to last.

Towards a Hybrid Housing Strategy

Africa's housing emergency defies singular solutions. Neither state-led supply, private sector dominance, nor community self-help alone can address the depth and urgency of demand. What is required is a hybrid housing strategy—one that fuses diverse energies into a cohesive, future-oriented vision. Such a strategy begins with bridging formal and informal systems. For too long, policies have treated incremental builders and informal settlements as obstacles rather than allies. Yet these actors remain the silent engines of urban shelter provision. Recognizing and upgrading their contributions transforms informality into a partner in inclusive growth, ensuring housing remains accessible rather than exclusionary.

Equally critical is a rethinking of public–private partnerships. Too often skewed toward profit, these collaborations must be recalibrated to serve affordability and social responsibility. By aligning public assets with private innovation under transparent frameworks, PPPs can unlock housing that is both livable and accessible, resisting the tide of speculative exclusion.

Finally, sustainability and equity must anchor the hybrid model. Homes should not merely shelter individuals but nurture communities, preserve environmental integrity, and build resilience against climate shocks. Properly situated and thoughtfully designed, housing becomes a cornerstone of dignity and cohesion, not just a commodity.

A hybrid strategy thus reframes housing as a driver of inclusive urbanization and human development. It is pragmatic yet imaginative, equitable yet ambitious—an integrated pathway capable of reshaping Africa’s urban future.

Moving towards the Future

The future of housing in Africa depends on creativity, teamwork, and flexibility. Authorities need to establish supportive conditions, private entities should align profit with accountability, and communities should be empowered as collaborative creators. Future studies need to explore the lasting effects of improvement initiatives, the influence of digital resources on enhancing tenure security, and the connection between housing and climate resilience.

The housing crisis in the continent is challenging, yet it presents an opportunity. By considering housing as a catalyst for justice, dignity, and sustainability, Africa can reshape its urban landscapes. What is at risk is not merely housing, but the type of cities and communities that will influence the continent in the years ahead.

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CHAPTER 11

RELIGIONS AND DEVELOPMENT IN AFRICA: SOCIAL CAPITAL, POLITICAL AND ECONOMIC PERSPECTIVES

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Abstract

Since Max Weber put forward the proposition of “Protestant ethic and the spirit of capitalism,” the relationship between religious culture and economic development has been a subject of ongoing debate. The rapid development of East Asia in the second half of the 20th century turned East Asian Values into a challenge to the Protestant ethic. However, the spread of Protestantism in sub-Saharan Africa has not brought about economic achievements comparable to those in Europe or East Asia. Any examinations of the relationship between religion and development in Africa must, on the one hand, consider the characteristics, influences, and interrelations of Africa’s three major religions—Christianity, Islam and traditional religions, On the other hand, recognize that African development involves not only economic growth but also the development of social capital and politics. African civilization places greater emphasis on the development of social capital than on political or economic development. The three major religions in Africa have played significant yet distinct roles in these three aspects of development, with varying focuses and degrees of influence, while also facing certain obstacles that hinder progress. Among these three dimensions, religion has the weakest promoting effect on Africa’s economic development. The limited contribution of religions to the key drivers of economic growth, coupled with the constraints African states face in exercising economic sovereignty, has meant that African economies remain only “semi-embedded” in African societies and traditions. The characteristics of African civilization suggest that Africa can only pursue a path to modernization that aligns with its own cultural traditions.

Keywords: Christianity; Islam; African Traditional Religion; Social Capital; Political Development; Economic Development; Modernization

Introduction

Africa stands as one of the world’s most spiritually vibrant continents, where faith shapes identity, social order, and daily life where religion is not merely practiced but lived. The continent’s spiritual landscape is dominated by **Christianity, Islam, and African Traditional Religions**, whose adherents constitute approximately

50%, 40%, and 10% of the population, respectively. Between **2010 and 2020**, sub-Saharan Africa witnessed a remarkable **31% growth in its Christian population**, reaching **1.1 billion believers**. By **2020**, Christianity accounted for nearly **62%** of the region's population, while **Islam represented about one-third**, reflecting a deeply rooted religious pluralism that continues to define Africa's moral and cultural fabric. Since 2018, Africa's Christian population has reached 670 million, thus surpassing Latin America and making Africa the continent with the largest Christian population in the world⁵. How do religions affect Africa's development? Has religions brought more advantages than disadvantages, or more disadvantages than advantages to Africa's development? These are the questions this paper is going to explore.

From Protestant ethic to African civilization

Max Weber explored the impact of religion on economic development in his book *The Protestant Ethic and the Spirit of Capitalism*. He argued that Protestantism fostered the virtues of diligence, thrift and dedication, which contributed to the development and industrialization of Protestant regions in Northern Europe. In contrast, Other religions such as Catholicism, Islam, Confucianism, Buddhism and Hinduism failed to produce modern capitalism due to various shortcomings⁶.

Weber's views sparked significant academic debate worldwide and have remained highly controversial. Some critics argued that the rapid development of East Asia over the past three decades has disproved Weber's theory, but this is in fact a misinterpretation of Weber's ideas⁷. In his another book *the Religion of China: Confucianism and Taoism*, Weber said that both China and Japan could, on the basis of "East Asian values," assimilate the capitalism that had already been fully developed technologically and economically⁸. Atiemo points out that India, the core state of Hinduism, has embraced the principle of capitalism and democracy as one of the biggest democracies in the world⁹. Yang Guangbin believes that Weber's two books are not merely academic texts, but political works disguised in academic form, promoting cultural imperialism and the superiority of Christian civilization¹⁰. Zhao Xiao, on the other hand, affirmed the positive significance of the Protestant ethic and its moral norms for the long-term healthy development of market

⁵ Yaw Perbi & Sam Ngugi, "Africa to the Rest: the most Christian Continent grapples with its missional future", Lausanne Movement, Aug 23, 2022, <https://lausanne.org/about/blog/africa-to-the-rest>

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⁹ Atiemo, A. O. (2020). Religion's contribution to development: The case of African Hindus in Ghana. *Religion and development in Africa*, 175.

¹⁰ Yang, G. (2023), *Historical Politics: The Paradigm Revolution in Chinese Political Science*. China Renmin University Press, 150. (in Chinese)

economy¹¹. Despite the controversies surrounding Weber's theory, his intellectual legacy lies not in the answers it provided, but in the big question he raised—the interrelationship between religions and development. This is precisely why “Weber fever” has endured over time¹².

The question is: in the decades since the end of World War II, why have some Third World countries, which all began as late-developing nations, achieved remarkable developmental success, while others have remained in poverty and backwardness? Does this suggest that some cultures are more conducive to economic growth than others? After comparing the development of Ghana and South Korea, Samuel Huntington was astonished to find that the economic data of the two countries were very similar in the 1960s. Thirty years later, South Korea developed rapidly and entered the ranks of developed countries, however, no such changes had occurred in Ghana. Huntington believes that many factors played a role in this extraordinary difference, but culture had to be a large part of the explanation. South Koreans value thrift, hard work, education, organization and discipline, while Ghanaians have different values. In short, cultures count¹³.

Curiously, Rumi Hassan found that the cultural differences between Ghana and South Korea are not as great as Huntington suggested, since both countries have large Christians¹⁴. The proportion of Christian population in Ghana and South Korea is 71% and 31% respectively. South Korea, once a member of the Confucian cultural sphere in history, has created not only the economic “Miracle on the Han River” but also the cultural “miracle of missionary” in modern era¹⁵. Through comparison, it is clear that the “cultural” here is not a singular concept, but a plural one. Though South Koreans embraced Christianity, they still retained their traditional “East Asian values”, thus getting closer to what Weber calls “Protestant ethics”; While Ghanaian Christians still preserved their African traditional religions, bringing about differences in Christian culture compared to that of South Korea.

So, can we say that "East Asian values" are superior to African traditional culture? Or must Africans learn from East Asians to achieve economic development? Cultural progressivism and cultural relativism adopt sharply opposing positions on this issue. Cultural progressivists contend that less advanced civilizations ought to

¹¹ Zhao, X. (2007). Market Economy with Churches and Market Economy without Churches. *New Economics*, (9), 22-24. (in Chinese)

¹² Sun, J. (2010). *Religious Culture and Religious Development*. Yunnan University Press, 125. (in Chinese)

¹³ Huntington, S. P. (2000). Cultures count. *Culture matters: How values shape human progress*, 13-16.

¹⁴ Hasan, R. (2017). *Religion and development in the global south*. Cham, Springer International Publishing, 10.

¹⁵ Wang, C. (2000). *Christianity in modern Korea*. China Social Science Academic Press, 243. (in Chinese)

learn from more advanced ones, yet this thread of thought would easily slide into cultural superiority or even fascism; Cultural relativists, however, insist that no civilization is inherently superior to another, as each civilization is deeply rooted in its unique environment and historical context. From the perspective of cultural relativism, preserving civilizational diversity is far more important than pursuing the so-called “progress”. But cultural relativism may also lead to complacency and stagnation of development.

In fact, after the periods of rapid economic growth, East Asian countries have encountered developmental bottlenecks, marked by serious social challenges such as the real estate bubble bursting, fertility rates declining, population aging, social atomization, loss of faith, environmental pollution, and decline of happiness. Japan has experienced the “lost two decades” since the collapse of its bubble economy in the 1990s; China has entered a prolonged period of economic downturn since 2015; South Korea today has the lowest birth rates in the world. According to a survey, in the year of 2024 the fertility rates in South Korea, Japan, Taiwan of China and mainland China were 0.7, 1.2, 0.9 and 1.0 respectively, lower than the United States (1.6) and the European Union (1.5), and far below India (2.0) and Africa (4.0)¹⁶.

Which path of modernization should Africa take? Is the East Asian model applicable to Africa? This requires prudent deliberation by African leaders and researchers, rather than blind imitation. Ethiopia, after overthrowing the Mengistu military regime in 1993 and established a dominant-party democracy and ethnic federalism, was once expected to replicate the East Asia’s “developmental state” model. However, frequent domestic ethnic and religious conflicts, together with the outbreak of the Tigray War in 2021, cast a shadow over Ethiopia’s “developmental state” model. Francis Fukuyama bluntly stated that Ethiopia did not qualify as a “developmental state”¹⁷. India, a multi-ethnic and multi-religious society, is closer to the reality of Africa than East Asian Countries that have already completed nation-building and forged national identity in ancient times. Since the second half of the 20th century, India has achieved state-directed “slow but steady industrialization”¹⁸ while maintaining cultural diversity and political federalism. Today, under the leadership of the Bharatiya Janata Party (BJP), India adheres to capitalism and Hindu nationalism as its guiding ideologies. Having surpassed China to become the most populous country in the world, India is expected to overtake Germany to be the world’s third-largest economy. While India’s economic investments in Africa pale in comparison to China, but India shares deeper cultural,

¹⁶ “Total Fertility Rate, Population Reference Bureau”,
<https://www.prb.org/international/indicator/fertility/snapshot>

¹⁷ Francis Fukuyama Interview, “Ethiopia Does not Qualify as a Developmental State”, September 15, 2019, <https://ethiopianbusinessreview.net/ethiopia-does-not-qualify-as-a-developmental-state/>

¹⁸ Kohli, A. (2004). *State-directed development: political power and industrialization in the global periphery*. Cambridge university press, 219.

religious and commercial ties with the continent. As the largest rice exporter in the world, India includes four African countries—Benin, Guinea, Cote d’Ivoire and Togo—among its top ten export destinations¹⁹. African countries are supposed to balance short-term and long-term interests, national and social interests, as well as economic and cultural interests when choosing a path of modernization in line with their actual situations.

It should be recognized that a country’s development refers not only to economic development but also to political and social development. Unlike “economic development” and “political development”, “social development” is not a rigorous academic concept. It is often combined with “economic development” in the expression “socio-economic development”. Therefore, for most developing countries, the core issue they have to deal with in the process of modernization is the sequence between political development and economic development.

The first generation of Western political scholars after World War II believed that economic development would bring democracy to Third World countries. But the frequent military coups took place in these countries in the 1960s and 1970s showed that economic development led not to political development but political decay. Huntington thus proposed a theory of political order, arguing that building a strong government is the only way for third-world countries to develop. Yet, the collapse of the Soviet Union and the arrival of the third wave of democratization made Huntington begin to doubt his theory of political order. In *The Third Wave: Democratization in the late Twentieth Century*, he reaffirmed the value of democracy. But shortly afterwards, he once again questioned the universality of Western liberal democracy and the subsequent theory of “end of history”, and wrote a highly controversial book titled *Clash of Civilizations and the Remaking of World Order*. In the book, he divides the world map into nine major civilizations, among which he refers to the region south of the Sahara and west of Rift Valley as “possible African civilizations”²⁰. Huntington emphasizes that Western civilization is unique, not universal; The West should not attempt to promote its values to non-Western societies because the differences among civilizations are basic and fundamental. Forcing other civilizations to accept western values will not only provoke clashes between civilizations, but also infect non-Westerners “western virus” and “cultural schizophrenia”. Therefore, non-Western countries should pursue a path of modernization that aligns with their own cultural characteristics.

The particularity of Africa lies in the way it prioritizes the importance of different dimensions of development. In African civilization, social development comes first,

¹⁹ “India Rice exports by country in 2024”, World Integrated Trade Solution (WITS)
https://wits.worldbank.org/trade/comtrade/en/country/IND/year/2024/tradeflow/Exports/partner/ALL/product/1006?utm_source=chatgpt.com

²⁰ Huntington, S. P. (1997). *The clash of civilizations and the remaking of world order*. Simon & Schuster Paperbacks, 45-48.

followed by political development, and economic development²¹. The social development here refers specifically to the accumulation of social capital. The Political development includes three aspects: the formation of early African states, anti-colonialism and decolonization, and democratization. The elements of economic development involve human resources, capital accumulation, economic institution, technological innovation, resource endowments, industrial policies and so on.

Religions and social (capital) development in Africa

According to Putnam's research, social capital referring to the trust and norms generated among the group members through their interactions can promote cooperative behavior to enhance social efficiency²². The reason why northern Italy was more developed and democratic than the south is that the north had the spirit of civic participation and social capital which were absent in the south.

There has been extensive researches on social capital worldwide, but most of them regard social capital as an instrument rather than a purpose. In other words, the ultimate goal of creating and accumulating social capital is to achieve economic and political development. But this point ignores Putnam's perspective in another monograph on social capital—*Bowling Alone: the Collapse and Revival of American Community*. By observing the phenomenon of "bowling alone" in American communities, he noticed the decline of American citizen participation and sought strategies to revitalize American society. Putnam stressed that social capital is not just an instrument for promoting economic growth and democratization but an end itself. Trust and community connectedness are essential for a sound personality and fulfilling lives, whereas a society full of distrust and hostility is unimaginable. Social capital makes us smarter, healthier, safer, richer, and better able to govern a just and stable democracy²³.

In African civilization, social capital is not merely a tool but a purpose—the first and foremost purpose. The great importance African people attach to social capital is reflected in its distinctive cultural traditions. One of the most well-known proverbs is that “the African works to live but doesn't live to work”, which is very close to Bentham's utilitarian philosophy. He believed that the maximization of pleasure is the purpose of life²⁴, right in stark contrast to the asceticism of the Protestant ethic. Actually, ascetic elements are not entirely absent in Africa—Sufi

²¹ This ranking is not a normative sequence derived from African development theories but a descriptive sequence grounded on the actual characteristics of African civilizations.

²² Putnam, R. D., Nanetti, R. Y., & Leonardi, R. (1993). *Making democracy work: Civic traditions in modern Italy*, 167.

²³ Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community*. Simon and schuster, 314.

²⁴ Bentham, J. (1823). *The collected works of Jeremy Bentham: An introduction to the principles of morals and legislation*. Clarendon Press, 1.

Muslims on the continent exhibit certain ascetic features²⁵. Yet Bentham maintained that the principles of asceticism never was, nor ever can be, consistently pursued by any living creatures²⁶. The African has an inexhaustible need for communication and prefer interpersonal warmth over content. Everything is a pretext for celebration: birth, baptism, marriage, birthday, promotion, election, return from a short or a long trip, mourning, opening or closure of Congress, traditional and religious feasts. African considers any person he meets a friend until the contrary is demonstrated²⁷. During my six-months fieldwork in Africa, the number of hands I shook with strangers—especially with African Muslims was more than that I had shaken in the previous thirty years of my life. In conversations, I found most Africans speak openly and conceal little of their real feelings, and are eager to share their joys or sorrows with others.

The core of the African “Ubuntu spirit”, unlike western individualism, lies in the idea that “I am because we are”, emphasizing that each person’s well-being and value depend on relationships with others and community. The “Ubuntu Spirit”, in some degrees, shares some similarities with the concept of “benevolence” in Confucianism of East Asian, as both highlight the social relations to human existence. The difference is in that Confucianism places greater emphasis on the hierarchy in social relations and restrictions of individual behavior through rituals and proprieties, while African culture highlights equality in social relations by establishing various horizontal social organizations to help each other, communicate friendship and share happiness. Putnam believes that, compared with vertical networks, horizontal networks are more helpful to accumulate social capital and solve dilemma of collective action than vertical ones²⁸. Religions and religious organizations are one of the most important sources of happiness for African people. At Dunamis International Gospel Centre in Abuja, the capital city of Nigeria, I witnessed Pentecostal Christians praying through music, dance, and acclamation, which helps believers release stress, alleviate loneliness and anxiety, and gain a sense of belonging. Professor Ibrahim Uthman of Department of Islamic and Arab Studies at Ibadan University told me that,

“Today Nigerians have been found to be the happiest people in the world. They are also the most religious and tolerant people in the world. Religion is keeping people happy because they believe that even they don’t get comfort and necessities of life in Nigeria, they believe they will be compensated by god in the year after, so that

²⁵ About asceticism of Sufi Islam, see Yijiu Jin (2009). *Islam*. China Social Science Press, 209-210.

²⁶ Bentham, J. (1823). *The collected works of Jeremy Bentham: An introduction to the principles of morals and legislation*. Clarendon Press, 13.

²⁷ Etounga-Manguelle, D. (2000). Does Africa need a cultural adjustment program?. *Culture matters: How values shape human progress*, 72.

²⁸ Putnam, R. D., Nanetti, R. Y., & Leonardi, R. (1993). *Making democracy work: Civic traditions in modern Italy*, 174-176.

is giving people succor and solace. However, in Europe and America, a lot of people are stressed and unhappy even though they have comfort. Western people used to be Christians, but after Renaissance they started abandoning Christianity and become agnostics or atheists.”

However, social capital does not always bring harmony and happiness but conflicts and sufferings instead. Putnam distinguishes between two types of social capital: bonding social capital and bridging social capital. Bonding social capital helps to reinforce the reciprocity and solidarity among group members, but it tends to be somewhat exclusive. For example, social networks based on ethnicity may provide its members with social and psychological support. Bridging social capital, by contrast, refers to networks of interaction and trust between different groups and classes. Bridging social capital can generate broader norms of reciprocity, while bonding social capital will confine people inside their own small circles. In some cases, the two types of social capital can reinforce each other; while in others, some kinds of bonding social capital may discourage the formation of bridging social capital and vice versa²⁹.

In many Africa's ethnic and religious conflicts, we always find high levels of bonding social capital within ethnic groups and lower levels of bridging social capital between the groups. Universal religions (Christianity & Islam) and African traditional religions differ in their effectiveness at promoting these two kinds of social capital. Christianity and Islam, as monotheistic religions, both claim their universality while also exhibiting strong exclusive tendencies. In Africa, universal religions can promote the formation of both social capitals, or promote the formation of bonding social capital at the cost of impeding bridging social capital. Generally speaking, in countries dominated by one single religion, for example, Islam in North Africa and Christianity in southern Africa have both served to strengthen social cohesion among ethnic groups. But in the regions located on the “civilizational fault line” where Christian and Islamic civilizations encounter in Africa, universal religions primarily promote bonding social capital and secondarily bridging social capital. For instance, the Islamic jihad in West Africa in the early 19th century amalgamated Hausa and Fulani people in northern Nigeria into the Hausa-Fulani Muslims. At the same time, the spread of Christianity in southeastern Nigeria created a religious gulf between the north and south as well as long-standing distrust and conflicts between Igbo Christians and Hausa-Fulani Muslims. Similar patterns have occurred between the northern and southern Sudan, northern and southern Chad, and northern and southern Cote d'Ivoire.

African traditional religions that are mainly characterized by ancestral, animistic and totem worship, such as the Oduduwa “God of the Sky” worship in the

²⁹ Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community*. Simon and schuster, 20, 395.

Yorubaland of Nigeria, the Golden Stool worship of the Ashanti people in Ghana and Voodoo in Benin, have played a major role in promoting bonding social capital. At the same time, due to the lack of systematic theory, African traditional religions are usually intertwined with witchcraft. Their organizational capacity and durability are relatively weaker than those of universal religions. Since the 19th century, the expansion of colonialism and Islam in Africa has greatly squeezed the living space of African Traditional religions. For instance, the failure of the Maji Maji uprising in Tanganyika in the early 20th century destroyed the credibility of indigenous faith and paved the way for Christianity's rapid growth there³⁰. However, some scholars argue that contrary to some might believe, Christian religion, far from being put an end to witchcraft in Africa, has legitimized it. The existence of Satan is recognized by the Bible and the White Fathers, thus confirming the existence of sorcerers and other evil persons³¹. In other words, African traditional religions have undergone transformation under the impact of universal religions, actively syncretizing with Christianity or Islam. This syncretism means that traditional religions can also, in some circumstances, contribute to the development of bridging social capital.

Among ethnic groups on the “civilizational fault line”, such as Yoruba Muslims and Christians, Oromo Muslims and Christians, Nuba Muslims and Christians, people of different universal religions coexist by sharing traditional religious beliefs. Inter-marriage between Muslims and Christians within the same ethnic group of Yoruba, Oromo and Nuba is very common. These Christians and Muslims harmoniously live together in the same family. Ethiopian Prime Minister Abi's doctoral dissertation *Social Capital and Its Role in Traditional Conflict Resolution: The Case of Inter-religious Conflict in Jimma Zone of the Oromia Regional State in Ethiopia*, examines the important role that the “Religious Peace Forum” in the Jimma region of Oromo people played in enhancing social trust and resolving conflicts between local Christians and Muslims³². Another typical example is Nigerian President Tinubu, who is a Yoruba Muslim but his wife is a Yoruba Christian. To some extent, the Yoruba have served as a buffer between the northern and southern Nigeria, analogous to the role of a “buffer zone” in geopolitics. Therefore, the Yoruba, a multi-religious group based on traditional religious consensus, might be termed “buffer ethnic group”. In short, diverse forms of traditional religions have played the role of “social integrator” and “social adhesive” in the social process of Africa³³.

³⁰ Iliffe, J. (1979). *A modern history of Tanganyika*. Cambridge University Press, 201.

³¹ Etounga-Manguelle, D. (2000). Does Africa need a cultural adjustment program?. *Culture matters: How values shape human progress*, 73.

³² Ali, A. A. (2016). *Social Capital and Its Role in Traditional Conflict Resolution: The Case of Inter-religious Conflict in Jimma Zone of the Oromia Regional State in Ethiopia* (Doctoral dissertation, PhD thesis, Addis Ababa University, Addis Ababa).

³³ Zhang, H. (1999). *Political Development in Africa from a Multi-dimensional Perspective*. Social Science Academic Press, 181. (in Chinese)

Religions and Political Development in Africa

The second dimension of how religion influence Africa's development is political development. Africa's political development can be divided into three aspects: the formation of early African states (pre-colonial centralized states), anti-colonialism and decolonization, and democratization. Christianity, Islam and traditional African religions have all played significant roles in these three aspects.

In the pre-colonial period, the formation of early centralized states in Africa had a significant impact on the governing strategies chosen by European colonizers during the colonial era. Although most nation-states in today's Africa do not inherit directly from their early states, the early states deeply influenced their political culture and national identity of modern states through political traditions, religious legitimacy, ethnic identity and trade networks. The states formation in Egypt and Maghreb was inseparable from the expansion of Islam in North Africa. The division of Morocco, Algeria and Tunisia in North Africa can be traced back to the 13th to 16th century when the Maghreb was divided into three dynasties: the Marinids, the Ziyarids and the Hafsid³⁴. Senegal and Guinea were culturally connected with the Islamic kingdoms of Futa Toro and Futa Jalon respectively, both established during the Islamic jihad in West Africa at the end of the 18th century. The predecessor of today's northern Nigeria was the Sokoto Caliphate formed in the early 19th century Hausa Jihad; Ethiopia, which regained independence in 1941, inherited directly from the Ethiopian Christian Empire; Madagascar's predecessor was the Merina Christian Kingdom; and Zanzibar's predecessor was 18th century Oman Sultanate. By contrast, the most of the early states in sub-Saharan Africa were based on traditional African religions. The Ashanti Kingdom and the Dahomey Kingdom were founded upon Golden Stools and Vodun respectively; The Yoruba Kingdom practiced the worship of the Oduduwa "God of the Sky", and the Zulu Kingdom of South Africa practiced the worship of ancestors and the belief in the supreme deity (Unkulunkulu). Similar cases also include the Luba Kingdom and Lunda Empire in Congo, as well as the Antongo Kingdom in Angola. Today, except for Morocco, Swaziland and Lesotho where monarchs still have substantial power, most of these kingdoms no longer exist as political entities. Nevertheless, they keep alive widely as cultural symbols and participants in local governance. In Kumasi of Ghana, I witnessed a grand ceremonial procession of the Ashanti kingdom: people dressed in traditional attires, singing and dancing as they accompanied the king to mediate disputes among local chiefs.

In the aspect of anti-colonialism and decolonization, universal religions and traditional religions have also played a crucial role in rallying people and political mobilization. Colonial aggression provoked Islamic jihad in Sudan and Somalia,

³⁴ About the threefold partition of the Maghrib, see Niane, D. T., & Ki-Zerbo, J. (Eds.). (1998). *UNESCO General History of Africa, Vol. IV, Abridged Edition: Africa from the Twelfth to the Sixteenth Century* (Vol. 4). University of California Press, 79-95.

dealing a heavy blow to European colonialism; The Ethiopian Empire utilized Christianity for the war and defeated Italy in the Battle of Adwa, just as Emperor Menelik II heroically declared, “Ethiopia has need of no one, she stretches out her hands unto God.”³⁵ The people of Tanganyika, under the brutal German colonial rule, got united by “Maji Maji” holy water and created the largest anti-colonial uprising in East Africa. As for decolonization for independence, Algerian Muslim nationalism was ignited by France’s obstruction of its independence; Sultan Mohammed V sided with Muslim nationalist movement, which demanded independence of Morocco³⁶; Libyan leader Gaddafi sought to mount a radical Muslim revolution in order to rid the country of “western influence” and the exploitation of the country’s mineral resources, and to establish Libya as a major unifying force in the Arab Muslim world³⁷. Similarly, after World War II, Christianity in Africa was characterized by “decolonization”. As Christianity is an ally of colonialism, decolonization must start from the church. The African Independent Church, which was established after the indigenization of Christianity in Africa, played a prominent role in the decolonization process of Ghana, Nigeria, South Africa and Kenya. A notable resistance movement of the period was the Independent Church Movement led by Malawi Baptist pastor John Chilembwe. Having studied in the United States and embraced the idea of “Africa for African”, Chilembwe founded the Providence Industrial Mission in 1900 and used the church to fight against colonial rule and the brutality, exploitation and inhumanity of European settlers³⁸. Starting with an resentment and rejection of colonialism and foreign missionaries, the desire for Africans to lead the church eventually made it an instrument of national independence³⁹.

The effect of religions in promoting democratization in Africa is relatively complex. Broadly speaking, Christianity, Islam and traditional religions have all contributed to strengthening bonding social capital, mobilizing social forces and expanding political participation in building pluralist democracy. Unlike direct democracy and elitist democracy theories, Robert Dahl’s pluralist democracy theory is that power arrangements in society are competitive, and decision-making results from government efforts to reconcile conflicts among various interest groups⁴⁰. In Africa, religious organizations and traditional ethnic groups are naturally “interest groups” on the way to pluralist democracy. Although this form of democracy—marked by

³⁵ Boahen, A. A. (Ed.). (1985). *Africa under colonial domination 1880-1935 (Vol. 7)*. London: Heinemann; Berkeley, Calif., USA: University of California Press, 270.

³⁶ Shillington, K. (2019). *History of Africa*. Red Globe Press, 426-428.

³⁷ Shillington, K. (2019). *History of Africa*. Red Globe Press, 428.

³⁸ Linden, I. (1971). John Chilembwe and the new Jerusalem. *The Journal of African History*, 12(4), 629-651.

³⁹ Li, A. (2024). African Independent Churches: Origins, Propagation and Evolution. *World Religious Cultures* (05), 32-40. (in Chinese)

⁴⁰ Dahl, R. A. (1983). Dilemmas of pluralist democracy: Autonomy vs. control. Yale university press.

oligarchic features such as prebendalism, clientelism, and religious conflict that hamper the formation of a national identity—is distant from what Barrington Moore called “middle-class democracy⁴¹”, a pluralistic and mutually constraining social structure is nevertheless a necessity to realize democracy.

In practice, the democratization process in Africa has not yet been satisfactory, although some progress has been made since the 21st century. According to the Free House ratings of 2024, Only five countries in Africa (South Africa, Botswana, Namibia and Ghana and Senegal) have consolidated their liberal democracies; While eighteen African countries are classified as “partly free”, including Tunisia, Cote d’Ivoire, Senegal, Togo, Benin, Nigeria, Tanzania, Zambia, Kenya, Madagascar, etc. And the remaining thirty-plus African countries are are rated “not free”.

From the perspective of religion and politics, several reasons account for this. Firstly, advancing democracy in Christians-dominated countries of southern Africa is easier than that in Muslims-dominated countries of northern Africa. According to Huntington’s study of the “Third Wave” of democratization, there is a strong correlation between Christianity and democracy due to the features of Christianity such as the separation of church and state, individualism, and encouragement of capitalist development. In Southern Africa, the spread of Christianity has clearly facilitated the development of capitalism and the formation of civil society. Secondly, the Christian churches played the critical role as a planner and an organizer at the beginning of the democratization process in Africa; During transitions and crises of democratization, churches acted as mediators and monitors; In the process of democratic consolidation, they helped to maintaining social stability and supervising the exercise of power by taking advantage of the unique social functions⁴². For example, Archbishop Tutu of Cape Town was involved in promoting racial reconciliation and democratization of South Africa; The Council of Churches in Namibia (CCN) established in 1978 served as a core platform against the apartheid regime of South Africa and later helped accept exiles and promote national reconciliation after Namibia’s independence in 1990⁴³. However, the Christianity is not a master key to open the door of democracy. South Sudan, the youngest Christian country in the world, remains under the highly authoritarian rule of President Kiir more than two decades after independence. The situation is no better in another two Christian African countries—Equatorial Guinea and the Republic of Congo, which suggests that Christianity is a conducive but not a

⁴¹ The original sentence Moore wrote is “No Bourgeois, no democracy”, see Moore, B. (1974). *Social origins of dictatorship and democracy: Lord and peasant in the making of the modern world*. Penguin University Press, 418.

⁴² Guo, J. (2010). An Analysis of the Christian Church’s Role in the Democratization Process in Africa. *West Asia and Africa* (3), 27-32. (in Chinese)

⁴³ Horn, N. (2010). Churches and Political Reconciliation In Post-Apartheid Namibia. *The Review of Faith & International Affairs*, 8(1), 55-62.

sufficient element to achieve democracy.

In contrast, Islam contains elements that are compatible with democracy, such as egalitarianism and voluntarism, but it also contains components that are incompatible with democracy. For instance, it rejects any distinction between the religious community and political community. Therefore, it is unclear whether “Islamic democracy” is a contradiction⁴⁴. In Senegal, religious leaders and workers provided crucial support for the rural mobilization and presidential election of the Senegalese Democratic Bloc (BDS) established by Senghor⁴⁵, who later declared, “It was the imams in the mosques who made our triumph”⁴⁶. During the Arab Spring democratization movement across North Africa in 2011, with some notable exceptions, the role of Islamic politics in the crucial events of the Arab uprisings appears to have been largely muted, drowned out by a broader protest movement shaped by a non-ideological civic identity⁴⁷. Even so, the Muslim Brotherhood emerged as the biggest beneficiary of the fall of Mubarak’s regime in Egypt. But the Brotherhood’s political success was short-lived: the Morsi government supported by the Brotherhood was overthrown by a military coup after roughly one year in power, and the succeeding military regime under Abdel Fattah el-Sisi promulgated a new constitution in 2014 that, relative to the 2012 constitution, was widely characterized as rolling back the Brotherhood’s gains, and as embodying a more secular and rationalist orientation⁴⁸.

Among today’s North African Arab states, only Tunisia and Morocco have made certain progress in democratization; Egypt, Libya, Sudan, Somalia and Algeria remain under authoritarian rule. One notable exception is Mauritania, the only Islamic republic in Africa and one of the poorest countries in the world with a per capita GDP of just over \$2,000. But in the last two decades, Mauritania has been more democratic than its wealthy neighbors like Morocco and Tunisia. Since the restoration of an elected government in 2009, the country’s democratic system have remained functioned normally and experienced a historic “democratic transfer of power” in 2019 with a two-term limit for the presidency. However, as an elected President, Ghazouani used to be a professional military officer, his democratic adjustment remains incomplete and political power has not been fully transferred to civilians⁴⁹. Ghazouani was successful re-elected in 2024 and will continue to

⁴⁴ Samuel, P. (2010). *The third wave: Democratization in the late twentieth century*. Adarsh Books, 72-73, 307.

⁴⁵ Huntington, S. P. (2006). *Political order in changing societies*. Yale university press, 457.

⁴⁶ Foltz, W. J. (1966). Senegal. *Political parties and national integration in tropical Africa*. University of California Press. 22.

⁴⁷ Al-Arian, A. (2018). Islamist movements and the Arab Spring. *ICR Journal*, 9(4), 48.

⁴⁸ Wang, T., & Guo, Z. (2022). *History of Egypt*. The Commercial Press, p.550. (in Chinese)

⁴⁹ Milošević, T. (2020). *Presidential elections as a form of legitimization of power after coups d'état: Mauritania case study*.

face domestic challenges such as slavery, poverty and inequalities⁵⁰. Whether Mauritania's democratic system can be consolidated in the future requires further observations.

Meanwhile, Islamic extremist forces and terrorist organizations in Africa have also become important factors threatening Africa's political development and democratization process. Since the Islamic State suffered setbacks in the Middle East after 2014, it has gradually shifted its footholds to the impoverished and vulnerable Sahel region of Africa. Boko Haram, active northeastern Nigeria and around Lake Chad, holds the banner of anti-Western education and anti-modernization; The Islamic Maghreb al-Qaeda in northern Mali and western Niger seeks to expel the Western influence and establish a fundamentalist government; Al-Shabaab In East Africa is trying to overthrow the Somali government and establish an Islamic state. The key factors for African countries to advance democracy is to cooperate internationally to combat terrorism and make continuous efforts to improve African people's livelihoods and educations to eradicate the soil of religious extremism.

In African countries located on “civilizational fault line”, the democratization process has generally been more successful than in North Africa. In Kenya, Ghana and Benin where Christians are the majority and Islamic fundamentalists are relatively few, secular states with separation of religion and politics have been established, so Christians and Muslims in these countries have largely coexisted peacefully. After democratization, the ruling parties in these three countries have largely rotated among different ethnic groups or coalitions, and their pluralistic democracies become increasingly consolidated. In Nigeria, however, the strong Islamist presence in the north has produced a pattern in which governing parties effectively alternate between northern and southern parties, and voting in successive elections is often clearly divided along religious fault lines. Although Tanzania still maintains a dominant party system led by Revolutionary Party (CCM), it has, like Nigeria, developed an informal political tacit in which Christian and Muslim candidates take turns to be the president. This practice of “taking turns” reflects a delicate balance not only between Christianity and Islam but also between religion and politics. Distinct from the classical models of theocracy (unity of religion and politics) and constitutional principle of secularism (separation of religion and politics), the relationship between religion and politics in Nigeria and Tanzania actually belongs to the third type—the accommodation of religion and politics.

⁵⁰ Michaela Knoskova, “2024 Mauritania president election: Attempt at increased political openness amidst continued racial ethnic struggle”, Sep 24, 2024, https://medium.com/@ch_commonfutures/2024-mauritanian-presidential-election-attempt-at-increased-political-openness-amidst-continued-2f16e17cff5d

In contrast, the state power in Chad has long been held by northern Muslims, while the southern Christians have been persistently marginalized. The north–south tensions, together with factional competition among Muslim groups for leadership, have triggered frequent civil wars and intensified authoritarian rule. Chad also failed to achieve a successful transition in the third wave of democratization. This is the ongoing consequence of the cyclical nature of rebellion, of tensions with neighboring countries, of persistent contestation of electoral processes, of the weakness of public institutions, and of the low degree of confidence among the citizenry in the state’s capacity to claim a monopoly on legitimate physical violence across the national territory⁵¹. Cote d’Ivoire also suffered a north–south civil war in the early 2000s but restored order relatively quickly after the conflict. This recovery stemmed from President Alassane Ouattara, a northern Muslim, incorporating southern Christian elites into government after he assumed power. He also established a "Dialogue, Truth, and Reconciliation Commission" and implemented policies of economic growth to foster national reconciliation⁵². The situation of Ethiopia after the civil war with Eritrean lies roughly in between the cases of Chad and Cote d’Ivoire. Since the 1990s, Ethiopia experienced rapid economic growth, but that growth exacerbated economic disparities between north and south, also among the ethnic groups. The challenges including Eritrea’s independence, Tigrayan separatism and conflicts, Somali-region (Ogaden) insurgencies and Islamist oppositions within the Oromo people, have repeatedly tested the governing capability of the ruling coalition party (the former EPRDF and the present Prosperity Party) and the integrative capacity of Ethiopia’s ethnic-federalist system.

Overall, religions’ contribution to the political development in Africa has been somewhat less pronounced than its contribution to the development of social capital. Christianity, Islam, and African traditional religions all made comparable contributions to anti-colonial and decolonization struggles. Both Islam and traditional religions contributed a lot to the formation of early states in Africa, while Christianity has a prominent impact on democratization. The African examples demonstrate that religion is not merely, as Karl Marx put it, the “spiritual opium” that numbs the people; Instead, religions have functioned as a “spiritual weapon” in resisting colonial rule, fighting for independence and advancing democratization.

Religions and economic development in Africa

In the pre-colonial period and the era of the slave trade, Africa’s economic development was closely tied to religions. The ancient trans-Saharan trade dominated by African Muslims was primarily a luxury trade. Actually, the Arab

⁵¹ Toulou, L. (2020). Reforming for Stability or Reforming the Instability?. *Democratic Struggle, Institutional Reform, and State Resilience in the African Sahel*, 185.

⁵² Meng, J. (2021). Reflections on the Process of National Reconciliation in Cote d’Ivoire. *Jorunal of China-Africa Studies*, 62-78. (in Chinese)

slave trade had existed for centuries before the trans-Atlantic slave trade started. The trans-Atlantic trade, which began in the late 15th century, greatly expanded the scale of the former slave trade. The trans-Atlantic trade proceeded smoothly due to the close collaboration between Europeans slave traders and early African states such as the Kingdom of Ashanti, Dahomey, Benin, Ndongo and the Sultanate of Zanzibar, which were founded on the ideological basis of African traditional religions or Islam.

As Karl Polanyi observed, acts of barter are usually embedded in long-range relations implying trust and confidence⁵³. In the Dahomey Kingdom, ancestral worship is the core of its social organization. Economic activities in Dahomey are traceable in the palace and the Annual Customs of the state sphere, and in the voluntary work teams and mutual aid associations, as well as in the sib compound and its ancestor worship in the non-state sphere⁵⁴. The continuity of this social tradition was so strong that the abolition of the slave trade in the early 19th century did not lead to economic collapse of these early states; instead, it helped them quickly adapt to the economic transformation from the slave and luxury trade and to the processing and exportation of essential commodities such as palm oil and cocoa. The Sokoto Jihad, which broke out in northern Nigeria in 1804, further facilitated the economic integration of the Hausa commercial city-state. After the establishment of the Sokoto Caliphate, the new Fulani aristocracy replaced the old one and were careful not to become as corrupt as their predecessors, and greater respect for Islamic law ensured greater justice for the general Hausa population. Trade flourished and Kano in particular became a major market center⁵⁵.

However, during the colonial period, this situation was completely reversed. As the expansion of capitalism with violence and brutality in Africa, the African economies began to “disembedded” from its social traditions. Consequently, as discussed in Section III of this paper, anti-colonial movements prompted by universal religions or traditional religions swept across the continent. In Polanyi's words, the continuous expansion of the market met by a countermovement checking the expansion in definite directions⁵⁶. Yet, with the exception of Ethiopia, nearly no African state was able to resist the colonial conquest of Europeans armed with advanced weaponry. Colonial rule severely damaged Africa's political, economic, and cultural ecosystems, disrupted its normal trajectory of development and became one of the key reasons for the Africa's long-term underdevelopment.

⁵³ Polanyi, K. (2001). *The Great Transformation: The Political and Economic Origins of Our Time*. Beacon Press, 64.

⁵⁴ Polanyi, K. (1968). *Dahomey and the Slave Trade: Analysis of an Archaic Economy*. University of Washington, 81.

⁵⁵ Shillington, K. (2019). *History of Africa*. Red Globe Press, 251.

⁵⁶ Polanyi, K. (2001). *The Great Transformation: The Political and Economic Origins of Our Time*. Beacon Press, 136.

By the 1960s, motivated by currents of nationalism and socialism, African nations had gradually gained political independence. Yet, economic sovereignty remained in the hand of their former colonial powers—a phenomenon that Nkrumah called “neocolonialism”⁵⁷. While a number of African countries tried to reclaim their economic sovereignty through nationalization, the results were far from satisfactory; What’s worse, in the 1970s and 1980s, socialist-oriented states such as Ethiopia, Benin, Tanzania, Angola and Mozambique encountered widespread setbacks or even large-scale famines. After the end of the Cold War, neoliberalism swept across the African continent, and the vast majority of African countries began to adopt multiparty democracy, economic privatization and market economy. Despite economic growth since the 1990s, African countries are facing the risk of losing economic sovereignty again. Nkrumah’s warning in *Neocolonialism: the Last Stage of Imperialism* are still worthy of reflections today. Recovering the concept, the discourse of neocolonialism is a necessary step towards a more authentic study of the predicament of many African countries as they engaged “old” and “new” donor institutions and corporations, as well as foreign investors⁵⁸.

It can be said that the current relationship between Africa’s economy and social traditions is neither the “embedded” state of the precolonial era, nor the “disembedded” state of colonial era, but rather a “semi-embedded” or “semi-disembedded” state in between. Today, Africa’s economic structure is only partially integrated into indigenous society while partially detached from it. The semi-embedded condition prevents Africa’s economy from integrating into ethnic groups, social customs and religions in Africa, so as to hinder the further economic development.

Religions contribute the least to economic development compared with social and economic development in Africa. According to a quantitative study by Qayyum on the relationship between religious piety and economic development in 110 countries in the world, religion has played an important role in economic development in Asia and Europe, but for Africa, religion has positive association with economic but it is not significant⁵⁹. Tedika’s statistical analysis of religious diversity and economic development in sub-Saharan Africa shows that religion or religious diversity has no statistically significant impact on the institutional and social aspects of development in sub-Saharan Africa, while religious polarization and religious fractionalization have economically and statistically significant

⁵⁷ Nkrumah, K. (1965). *Neo-colonialism: The Last Stage of Imperialism*. International Publishers, ix.

⁵⁸ Langan, M. (2018). *Neo-colonialism and the Poverty of 'development' in Africa* (Vol. 6). Cham: Palgrave Macmillan, 231-232.

⁵⁹ Qayyum, U., Anjum, S., & Sabir, S. (2020). Religion and economic development: new insights. *Empirica*, 47(4), 819.

effects on investment in Sub-Saharan Africa⁶⁰. The weakness of religion's contribution to economic development in Africa can be explained by the "semi-embedded" theory.

According to the principles of development economics, essential elements for economic development include human resources, capital accumulation, natural resources, economic institutional, technological innovation, industrial policies and so on. The three major religions in Africa can only exert indirect influences—either facilitating or impeding—on some of these elements.

First, the relationship between human resources and economic development could be analyzed from three dimensions: size, quality and structure of population, among which population quality includes factors like education level, professional skills and health⁶¹. The strong religiosity of Africa evidently contributes to maintaining a high fertility rate (above 4.0), which is the highest among all continents in the world. In addition, approximately 60% of Africa's population composed of young people and this proportion is expected to remain at a high level by 2050 that promises Africa's potentials in economic development. In terms of literacy and education, the teaching of Bible and Koran undoubtedly improved literacy rates and cultural competence of African people, especially in remote and poor areas. Islam and Christianity also help to prevent and control the spread of HIV. Overall, North Africa and Muslim-majority countries have a lower proportion of HIV than the other regions in Africa, largely due to the constraints of behaviors regulated by Islamic law. Meanwhile, the Christian Church has provided financial, personnel and technical support for healthcare in Africa, making significant contributions to HIV prevention and treatment⁶². But obviously, the efforts of such social organization cannot substitute for public services at the national level. In southern Africa where HIV is rampant, the role of the churches is very limited.

Religions also pose several disadvantages for improving the population quality of Africa. The emphasis on religious knowledge among Africans may hinder their absorption of modern science and social science knowledge. Some Muslim parents in Ethiopia choose not to send their children to school at all. This applies particularly to girls, whom many local Muslim parents do not want to be educated in a mixed sex environment. Instead, there is scope for children's education in *madrasas*, established around mosques. But few *madrasas* engage in formal academic education and graduates from such schools are often disadvantaged in terms of future employment opportunities⁶³. In addition, the prevalence of the three

⁶⁰ Kodila-Tedika, O., & Agbor, J. A. (2014). Religious diversity and economic development in Sub-Saharan Africa: so far so good. *Journal of African Development*, 16(1), 99-117.

⁶¹ Yao, Y. (2017). *Development Economics*. Peking University Press, 16-31.

⁶² Zhou, H. (2017). *Study on the Traditional Forms and Modern Transformations of African Religions*. China Social Science Press, 184-193.

⁶³ Haynes, J. (2007). *Religion and development: Conflict or cooperation?*. Springer, 186.

major religions in Africa means that African countries have quite a few religious festivals and holidays, particularly in countries alongside “civilizational fault line”, where Christian and Islamic festivals are designated as legal holidays. Together with African traditional religious festivals and national political holidays, there are four sets of holiday system in these countries. The abundance of day-offs makes it difficult for African people to cultivate a sense of urgency for work. This, coupled with African Christians’ adherence to weekend rest and Muslims’ commitment to five daily prayers, stands in vivid contrast to the “overtime working culture” in East Asian countries. Frankly speaking, the effect of this situation in Africa has two sides. As mentioned in the first section, the relaxed and joyful atmosphere in Africa increases bonding social capital at the cost of lower economic performance, while the tireless work of East Asians boosts material wealth at the expense of social atomization and spiritual emptiness.

Besides, economic development also depends on capital accumulation, much of which in Africa comes not from inside but outside. The ways African states obtained foreign capital are partially related to religious factors. During the Cold War, aids from western countries and the Soviet Union were driven by ideologies rather than religions. For instance, after World War II, newly independent Ethiopia aligned itself with the capitalist camp headed by the US and received Western military and economic assistance; however, following the 1974 revolution, Ethiopia shifted to the Soviet socialist camp and began accepting Soviet aid. Similarly, Tanzania and Zambia got infrastructure supports from China largely due to their socialist practices. After the end of the Cold War, the conditions of Western aid to Africa altered to democratization, market economy, protection of human rights, anti-terrorism, etc. China, in contrast, attached no political prerequisites to its aid for Africa. This enable authoritarian countries such as Sudan, Eritrea, the Democratic Republic of the Congo, Equatorial Guinea and Uganda can also receive international financial support. As for the aid from some small and medium-sized developed countries, religious kinship may influence their choice of African recipients, such as South Korea and Israel, where Christianity prevails, tend to provide aid to Southern Africa and East Africa, and less to Muslim countries in West Africa and North Africa. This may manifest some certain religious affinities, but the main determinants are objective factors such as geographical location, political stability and technological compatibility, etc.

In comparison, financial supports from Islamic and Arab countries exhibit a stronger degree of religious affinity. Traditional financial mechanisms and foreign loans are often accompanied by heavy interest burdens, which have driven some African countries into debt traps. In this case, Islamic finance has emerged as an alternative solution, offering interest-free loans in accordance with *Sharia* principles. Islamic financial products (IPF) should be in line with five key principles: (1) prohibition of interest (2) profit and loss sharing agreements (3) asset-backed financial transactions (4) prohibition of speculation (5) contracts must

be *Sharia*-approved and sacred⁶⁴. This financial model—eschewing interest and emphasizing the sharing of both profit and risk—undoubtedly fosters a sense of identity and cohesion among Muslim communities, thereby making it highly attractive. According to regulations, the basic condition for membership of the Islamic Development Bank (IsDB) is that the prospective member country should be a member country of the Organization of Islamic Cooperation (OIC)⁶⁵. The OIC now has 57 member states, 27 of which are African countries that include not only Muslim-majority countries in North and West Africa (except Eritrea), but also several Muslims-minority countries, such as Togo, Gabon, Uganda and Mozambique. Notably, the second president of Gabon, Omar Bongo, who was originally a Catholic, converted to Islam in 1973 in order to bring Gabon, a country with a 90% Christian population, into the OIC and to build closer ties with oil-producing countries⁶⁶. Nigeria and Zanzibar both applied to join the OIC in the late 20th century, but confronted strong oppositions from domestic Christians. Ultimately, Zanzibar withdrew from the organization, while Nigeria withstood the pressure to become a former member of OIC.

Overall, the role being played by Islamic Development Bank (IsDB) in the past three decades towards improving the economies of African countries is indeed commendable⁶⁷. However, the IsDB covers only half of African countries and its economic strength is not as powerful as the World Bank and the International Monetary Fund. So the role of Islamic finance in promoting Africa's economic development remains relatively limited.

Religion's third channel of influence on Africa's economic development lies in the realms of market economy and the rule of law. One essential prerequisite for the development of market economy is a clear system of private property rights, yet traditional African tribal and religious cultures are lack of such concept of private ownership. In traditional Black African societies, tribal land and assets are communally or semi-communally owned. African traditional cultures and religions emphasize collective well-being over individual gains and prioritize righteousness, moral duty, mutual assistance and common defense⁶⁸. Nyerere pointed out that communal ownership of land is traditional in Tanzania—it was the concept of

⁶⁴ Issahaku, A. N., Mohammed, J. I., & Sulemana, S. (2024). Islamic Development Bank: An Instrument for Alternative Development Financing in Africa. In *Perspectives on Development Banks in Africa: Case Studies and Emerging Practices at The National and Regional Level* (pp. 393-417). Cham: Springer Nature Switzerland, 398.

⁶⁵ IsDB Member Countries, <https://www.isdb.org/isdb-member-countries>

⁶⁶ "Gabon coup: what's the connection to Islam", The New Arab, 31 August 2023, <https://www.newarab.com/news/gabon-coup-whats-connection-islam>

⁶⁷ Daud, M. U. S. T. A. F. A., & Abdul-Razak, N. A. (2011). Islamic Development Bank (IDB), Foreign Aid and the Challenges for Sustainable Development in Africa. *International Journal of Business and Social Science*, 2(4), 198.

⁶⁸ Li, B. (2011). *Tradition and Modernity: African Culture and Political Change*. Peking University Press, 4. (in Chinese)

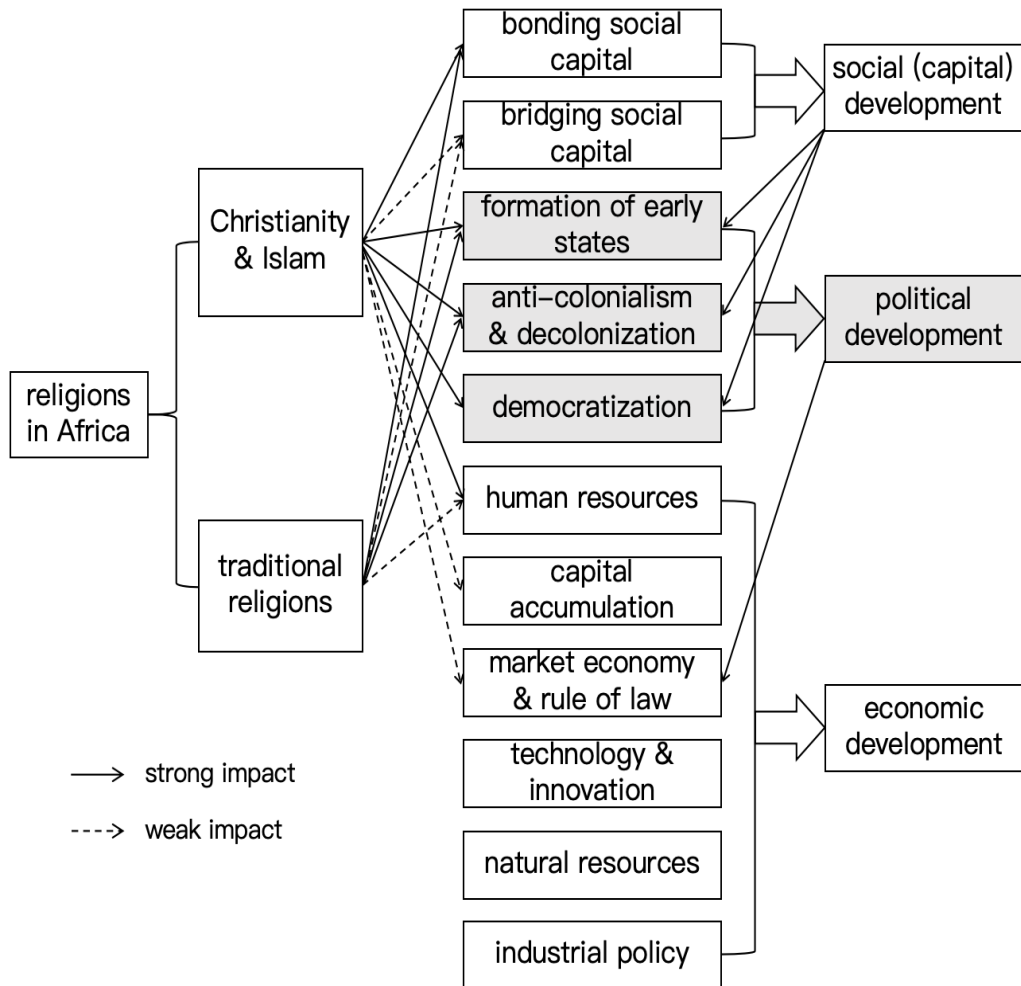
freehold which had been foreign to them⁶⁹. Based on this idea, Nyerere launched the Ujama socialist movement in Tanzania, which was successful in politics by integrating national identity of Tanzania, but disastrous in economy for causing severe economic recessions and great famine in the 1970s and 1980s. A similar situation occurred in Zimbabwe under Mugabe's rule. Rapid and enforced land reform—seizing land from white farmers—resulted in an economic collapse and sharp currency devaluation. Moreover, in recent years, large-scale incidents of looting and damage targeting foreign businesses frequently occurred in countries such as South Africa, Angola, Mozambique and Kenya. The business environment and the rule of law were certainly undermined by the disturbances that was bound to be harmful to its economic development.

In contrast, both Christianity and Islam recognize the legitimacy of private property and land ownership, and each has developed its own comprehensive legal philosophies. Although western concepts of the rule of law originated from ancient Roman legal traditions, the covenant spirit in the Bible is the soul of the rule of law. The prohibition of theft in the Ten Commandments of Moses is essentially a protection of private property; Likewise, the Koran explicitly affirms private property and land ownership: “Eat not up your property among yourselves unjustly except it be a trade amongst you, by mutual consent” (5:29); “And He caused you inherit their lands, their houses, their riches, and a land which you had not trodden (before). And Allah is Able to do all things” (21:27). In this sense, the spread of Christianity and Islam in Africa has, to some extent, helped to cultivate civic awareness and respect for the rule of law, thereby indirectly promoting the economic development. Moreover, religious belief also contributes to the accumulation of social capital, which strengthens social norms, reduces transaction costs, and thus facilitates the growth of market economies.

In addition, factors such as technological innovation, natural resources, and industrial policies—each crucial to economic development—are beyond the scope of religious influence. In Africa's major industries today, agriculture and services are, on the one hand, largely “embedded” in the continent's indigenous societies. North Africa produces wheat and cotton; West Africa is known for cocoa, palm oil, cassava, and cotton; East Africa produces coffee, tea, cloves, and sisal; while South Africa exports fruits, wine, and dairy products. Agriculture provides employment for more than half of Africa's population, underscoring how deeply it is rooted in the continent's soil of culture. Africa's service industry is of unique features: tourists to Africa are always impressed by the hospitality and the vibrancy of its cultural.

⁶⁹ Nyerere, J. K. (1970). *Freedom and Socialism Uhuru na ujamaa: a selection from writings and speeches 1965-1967*, Oxford University Press, 307.

On the other hand, Africa's manufacturing is obviously insufficient and its infrastructure still need improving. Yet the ownership and core technologies of many associated industries are not held by African countries themselves but controlled by foreign capitals. Nigeria, for example, despite being an oil-producing giant and a member of OPEC, has to import refined oil products because the core refining technologies are in the hands of foreign companies; At one point, the country is still facing domestic fuel shortages that I experienced during my fieldwork in Ibadan. Similarly, the mineral development of Africa's gold, diamond, lithium, iron and limestone resources is largely participated by multinational corporations, with relatively low levels of local participation—often giving rise to feelings of alienation among local people. I interviewed Bishop Kukah of the Sokoto Diocese in Nigeria in 2024. He told me that, "Most Chinese industrial parks in Nigeria are closed off, and Chinese workers rarely interact or play with the local people. The locals feel that Chinese people are strange and mysterious. Therefore, Kukah suggested that cooperation between China and Africa should not be just about economy and there could be more cultural and people-to-people exchanges to bridge the gap. In conclusion, the limited contributions of religions to Africa's economic development, along with their limited economic sovereignty, means that Africa's economic development is "semi-embedded" in Africa's politics, religions and social relations.



The influence of religion on Africa's development

Conclusion

The development of Africa includes social capital, political and economic development. Religions have both positive and negative impacts on Africa's development, but in general, the benefits outweigh the drawbacks. The nature of African civilization determines that Africans put the social capital development first, political development second, and economic development third. In terms of the social capital, the three major religions in Africa have a strong role in fostering the bonding social capital, but relatively weak in bridging social capital; While religions strengthens the cohesion within one ethnic group, they may also lead to tensions and even conflicts among different ethnic groups. In African countries located on the "civilizational fault line", traditional religions can perform as a "social adhesive" between Christians and Muslims; In terms of political development, all three major African religions have played a prominent role in the process of anti-colonialism and decolonization. Islam and traditional religions contributed significantly to the formation of early states in Africa, while

Christianity has been more influential in advancing democratization. Africa's multi-ethnic and multi-religious composition has created a social structural foundation for the practice of pluralist democracy. However, Islamic extremism and the theocratic traditions in some Muslim countries can negatively affect Africa's democratization. At the same time, the adherence to Christianity is not in itself a sufficient condition for African countries to achieve democratic transformation.

As for economic development, three major religions have all played a positive role in boosting Africa's human resources and maintaining a high fertility rate. Christianity and Islam have made notable contributions to improving literacy, cultural quality and health of African people. However, abundant of religious festivals and diverse forms of worships shorten the working hours of Africans, which would be detrimental to Africa's economic growth. Christianity and Islam have also helped to cultivate an awareness of the rule of law in protecting private property, thereby promoting the development of the market economy. The Islamic Development Bank has also provided financing opportunities for about half of African countries and promoted economic cooperation among the relevant countries. Moreover, religious factors cannot directly influence the technological innovation, natural resources, industrial policies and other elements essential for Africa's economic development. Therefore, the limitations of religious contribution to Africa's economic development and the inability of African countries to fully control their own economic sovereignty show that Africa's economic development are "semi-embedded" in its societies.

To enhance the positive role of religion in Africa's development, efforts can be made in the following aspects. First, in terms of social capital, greater emphasis should be placed on strengthening the bridging social capital, particularly by using the the African traditional religions to bridge the gap between Christianity and Islam. At the same time, African states should cooperate in combating religious extremism on the continent. Second, in aspects of political development, the significance of Africa's three major religions on early political practices and national independence is supposed be fully acknowledged. Simultaneously, efforts should be made to transform the model of relationship between religion and politics into separation or accommodation. Finally, in terms of economic development, African states and transnational enterprises should advance the economic development in a way that is embedded in Africa's traditions, religions, and societies, rather than detached from them. It is also necessary for multi-religious countries in Africa to establish a more rational holiday system in order avoid excessive festivals affecting the economy. Rome was not built in a day, and Africa's development cannot be accomplished overnight. Historical experience has repeatedly proved that attempts by African states to escape backwardness through radical reform strategies always lead to greater humanitarian disasters. The characteristics of African civilization determine that Africa can only pursue a path of modernization consistent with its own cultural traditions. Compared with

development models rooted in Western Protestant ethics or East Asian values, the development experience of India with high cultural heterogeneity could be more meaningful to Africa.

CHAPTER 12

CASH-FOR-POSTS IN KWAZULU-NATAL: THE SALE OF SCHOOL LEADERSHIP POSITIONS IN SOUTH AFRICA

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Abstract

Cash-for-posts is a common issue in South African education, especially in KwaZulu-Natal, where teachers or principals often secure their jobs through bribery or favouritism. A review brings together evidence from various sources to show the extent and impact of this practice in schools. Reports reveal that many individuals pay money or livestock for job promotions, involving union officials who exert control over education departments. This corrupt system exploits weaknesses in the appointment process outlined by the Schools Act. The result is that affected schools suffer from leadership issues and low morale, adversely impacting student performance. Honest teachers struggle in their careers as poorly qualified individuals take leadership roles. To address these problems, reforms are needed, including centralizing senior appointments, increasing oversight, enforcing strict hiring conditions, and protecting whistle-blowers while prosecuting offenders. These changes are aimed at improving the situation in KZN schools.

Keywords: Cash-for-Posts, Corruption in Education, Merit-Based Appointments, KwaZulu-Natal

Introduction

Cash-for-posts—also known as “jobs-for-cash” is the unlawful sale or allocation of public-sector jobs in exchange for money or favours. This phrase became well-known in South African education following media revelations and a major ministerial investigation (Corruption Watch, 2016; Department of Basic Education [DBE], 2016). Particularly principalships (post level 1), schools' senior positions are meant to be filled on merit under the South African Schools Act (1996) and Employment of Educators Act (1998) by School Governing Bodies (SGBs). Since about 2014, though, several accusations have surfaced that this system is being undermined. Critics contend that union officials, legislators, or dishonest administrators seek money or other concessions to fill positions a habit normalized by years of political patronage (DBE, 2016; Center for Development and Enterprise [CDE], 2023).

This controversy has often referred to KwaZulu- Natal. City Press said in 2015 that rogue members of the South African Democratic Teachers' Union (SADTU) had "captured" the KZN education department and were using a "complex patronage network" to place their own members in leadership positions (Spaull, 2016). Angered by such findings, Basic Education Minister Angie Motshekga formed a Ministerial Task Team (MTT) led by Professor John Volmink. Its final report (2016) confirmed pervasive irregularities countrywide (Corruption Watch, 2016; DBE, 2016). The Task Team found that cash-for-posts were not sporadic; it noted presents of cattle, R30,000 cash payments, forged letters of appointment, and collusion between SGB members and union officials to extort candidates (Spaull, 2016). These disclosures drew national attention to KZN, where areas like Ilembe and Ugu saw union-led protests and school shutdowns in response to corrupt practices (Spaull, 2016).

This essay approaches the cash-for-posts problem from several points of view. It examines how legal systems national and regional either stop or facilitate such abuses. Based on government reports (the MTT report), NGOs (Corruption Watch, Equal Education), and news sources, we present a whole picture of what happened in KZN. Particular attention is given to SADTU's purported role, systemic failures that permitted the misuse, cultural elements including political patronage, and effects on school administration and students. By concentrating on recent investigations and legitimate sources, we hope to clarify the evidence and draw lessons for future accountability.

Literature Review

School leadership and governance

Many educational studies highlight how crucial competent school leaders are in raising learning results (Bush, 2018; Memela and Ramrathan, 2022). For instance, through interviews carried out in KwaZulu-Natal, Memela and Ramrathan (2022) discovered that a principal's leadership approach and school administration practices directly impact teacher enthusiasm and student success. Conversely, appointment of under-qualified or disinterested people to principal roles can seriously damage school achievement. The South African Standard for Principalship (Department of Basic Education [DBE], 2015) likewise underlines the need of recruiting principals based on credentials, leadership vision, and school development objectives to improve underperforming schools. Therefore, the literature strongly foretells detrimental effects for school climate and teaching quality when leadership posts are won by illicit means rather than merit (Bush, 2018; Spaull, 2016).

Unions and patronage

Teacher unions, especially SADTU, have wielded considerable political clout in South Africa since the democratic transformation. Researchers have observed that SADTU's relationship with the ruling party (ANC) gave it influence over human

resource decisions (Chisholm, 2005; Ramrathan, 2017). Some experts call this phenomena "cadre deployment," where union-aligned loyalists are appointed to important educational positions (CDE, 2023). The MTT report itself observed that some senior officers inside the Department of Basic Education were SADTU members and that education departments were essentially "captured" by the union in several provinces (DBE, 2016; CDE, 2023). Non-SADTU teachers have long accused discriminatory promotion methods whereby unions impede career advancement for non-members; for instance, NAPTOSA in Limpopo alleged SADTU essentially "runs" the department (CDE, 2023). This area of study underlines how important it is to consider union politics and patronage dynamics when examining main appointments.

Corruption in Education

Procurement fraud, ghost teachers, or nepotism—all of which are prevalent throughout the world—constitute educational corruption (Transparency International, 2013). From misappropriation of funds to parental bribe for student placements (Corruption Watch, 2016), Transparency International and Corruption Watch have noted corruption in South Africa. The particular phenomena of “cash-for-principal postings”, though, are rather unusual. Media criticism and civil society probes brought early academic interest. For instance, Spaul (2016), and others emphasized the disturbing results of the Volmink’s report, quoting that "46. 9% of investigated cases. point to wrongdoing amounting to criminal conduct". Civil society organizations like Equal Education (2016) have underlined how largely students and dedicated teachers are the main victims of such behavior. Together, these sources create a picture of a system where bribery and undue influence in employment have been "naturalized" (DBE, 2016).

Legal and policy context

With the goal of community participation, South Africa's South African Schools Act (1996) hands mostly educator appointments to SGBs. Still, many academic researches and the MTT report show that SGBs are usually dominated by allies of the school head, lack professional HR expertise, and operate without sufficient supervision (Corruption Watch, 2016; DBE, 2016). To fill senior posts and revise SASA and the Employment of Educators Act correspondingly, the MTT specifically advised deleting the power of SGBs (DBE, 2016). This recommendation is compatible with statements made by Bush (2018), who cautions that community-based appointment procedures without safeguards are open to tampering. Our analysis examines how these governance gaps were abused in KwaZulu-Natal, mirroring international research on the results of inadequate accountability systems in education.

All told, the research and formal reports agree that good school performance depends on merit-based leadership, that SADTU has had a significant impact on appointments, and that systematic loopholes foster patronage. Building on these

observations, this article looks at the known instances in KwaZulu-Natal using formal studies as well as community-level narratives.

Methodology

Qualitative Document Analysis

Qualitative document analysis is used in this study to investigate the extent and dynamics of the cash-for-posts scam in KwaZulu-Natal (KZN). We carefully examined several primary and secondary sources. These included the Ministerial Task Team (MTT) report commissioned by the Department of Basic Education (DBE, 2016) and its annexures; relevant governmental media statements (DBE, 2015; DBE, 2016); civil society research from Corruption Watch (2016) and Equal Education (2016); academic research, such as Memela and Ramrathan's (2022) study on leadership in KZN schools; and investigative journalism from reputable news outlets (e. g. City Press, IOL, Business Day).

Wherever feasible, we gave recent (post-2014) and legitimate documentation preference. Government sources were enhanced by Corruption Watch's (2016) synthesis of the results of the MTT as well as Equal Education's (2016) policy criticism of the same report. News reports from City Press, IOL and Business Day were consulted to find particular events in KwaZulu-Natal, including claimed union involvement in regions like Ilembe (Spaull, 2016; IOL, 2015). To clarify official processes for school principal appointments and highlight possible shortcomings that allow exploitation, we also examined legal papers including the South African Schools Act (1996) and the Employment of Educators Act (1998).

Cross-referencing sources using triangulation, we confirmed main results. When several independent accounts such as NGO reports and media coverage depicted the same events such as union-led demonstrations associated with appointment manipulation this convergence increased the dependability of the evidence. Although no fresh field data were obtained, the document-based synthesis enables a thorough grasp of the cash-for-posts phenomena in KwaZulu-Natal.

Results/Findings

Concrete Cases of Irregular Appointments in KZN and Beyond

Investigations confirm that illegal influence in the appointment of school leadership roles is widespread and systematic. The Department of Basic Education appointed the Ministerial Task Team (MTT), which reviewed 81 incidents across South African provinces and found that the selling of jobs was only one part of more general patterns of wrongdoing (Corruption Watch, 2016). Thirty-eight of the cases examined offered plausible reasons to suspect criminal behavior, including bribery, document falsification, and procedural manipulation (Corruption Watch, 2016).

Reported occurrences included offers of school leadership positions for cash, cattle, or political benefit as well as falsification of interview results and bogus degrees.

In one legal case National Professional Teachers' Organisation of SA v DBE posts were formally advertised but were claimed to have been pre-allocated to union-endorsed candidates, therefore circumventing fair competition (Corruption Watch, 2016).

Corruption Watch (2016) recorded several instances whereby SADTU officials were accused of soliciting bribes sometimes amounting to tens of thousands of rand or receiving cattle (sheep and cows, for instance) in return for principalships. In KwaZulu-Natal, City Press uncovered a situation whereby a School Governing Body (SGB) member working with SADTU sought to get a primary school principal position by extorting a parent for R30,000 (Spaull, 2016). Similarly in Ilembe district, a junior SADTU member in eThekweni supposedly forged a DBE letter of appointment to unfairly gain a principalship at a high school (Spaull, 2016). These results stress that cash-for-post plans are not just fictitious or anecdotal. Often buried by bureaucratic processes, they include tangible transactions cash payments, livestock, forged papers and are therefore challenging to identify without coordinated investigation.

Role of SADTU and Other Unions

Almost all current sources show that though SADTU's leadership formally denies institutional involvement, the South African Democratic Teachers' Union (SADTU) has been the primary driver behind the cash-for-posts scam. In a number of provinces (CDE, 2023), the Ministerial Task Team (MTT) clearly said that SADTU had effectively taken control of the management, administration, and priorities of education. Particularly compelling is the evidence from KwaZulu-Natal (KZN): City Press (2015) quoted an insider saying SADTU had “infiltrated” the provincial department and guaranteed that 37 newly established curriculum specialist posts were assigned solely to SADTU-affiliated members (Spaull, 2016).

Reports show how SADTU leaders arranged "seat-swapping" deals to promote loyal cadres (Spaull, 2016). An estimated 85% of senior education positions were claimed to have been given based on union service rather than qualifications (CDE, 2023). Other unions, including NAPTOSA and PEU, verified that SADTU mostly dominated meetings in Limpopo and occasionally disadvantaged non-members (CDE, 2023).

Despite these claims, SADTU has argued that it is being scapegoated. Minister Angie Motshekga herself stated in 2017 that no conclusive evidence linked SADTU as an organization to job-selling, shifting blame to “rogue” district officials (BusinessLive, 2017). This contradiction illustrates the contested nature of the narrative. While opposition parties like the Democratic Alliance called for SADTU to be held accountable (All Africa, 2017), SADTU pointed to broader departmental nepotism. Still, both the MTT and watchdog groups suggest that SADTU-aligned

actors at least helped to ease many corrupt appointments (Spaull, 2016; CDE, 2023).

Governance and Process Failures

The continuous presence of cash-for-posts points towards more fundamental institutional weaknesses in educational administration. Particularly the role of School Governing Bodies (SGBs), the MTT and analysts have regularly slammed South Africa's recruiting mechanism. Under the South African Schools Act, SGBs have legal authority to suggest principals, but frequently have no formal supervision or professional training (Corruption Watch, 2016). SGBs are "not accountable to any authority," according to MTT, therefore making them vulnerable to fraud (DBE, 2016).

Principals and district officials often occupy SGB roles or informally influence them, hence facilitating pre-selection of applicants. For instance, in KZN, SADTU cautioned (IOL, 2015) that the province's schools were on the "verge of collapse" due to administrative confusion and inadequate defined recruiting procedures.

Additional failures were visible at the district level. To minimize visibility, the MTT found that interview panels were sometimes incomplete, timelines frequently disregarded, and job postings carefully only online bypassing local communities (DBE, 2016). In certain situations, authorities used secondments or established fresh positions as covert rewards for loyalty. Corruption Watch (2016) highlighted that, since educator recruitment is different in government driven by SGBs instead of central HR systems it falls outside typical controls. To plug these gaps, the report asked the DBE to "regain control" of all appointments.

One DBE official admitted that investigating every case would "amount to closing down the department" (Spaull, 2016), hence internal enforcement has been swamped by the scale of corruption. As of 2023, MTT chairman John Volmink verified that few suggestions had been put into effect (CDE, 2023) and no implicated individuals had been charged.

Cultural and Political Factors

A wider culture of political patronage and normal corruption exacerbates structural faults. The MTT noted that "undue influence in educational appointments had become 'naturalised,' aided by 'weak authorities, powerful unions, [and] compliant head teachers" (DBE, 2016). Many view "how things are done" as bribery, favour exchange, and union capture.

Civil society organizations have warned that these dynamics create silence and terror. Equal Education (2016) pointed out that networks of corruption including SGBs, union leaders, and district officials rarely generate paper tracks. Whistle-blowers sometimes suffer intimidation or payback. In one KZN example, SADTU

leaders threatened a district director and told her she was a "comrade" who had to appoint their chosen applicants or face "trouble" (Spaull, 2016).

The political influence of SADTU makes this condition worse. As a major player in the ruling Tripartite Alliance and COSATU, SADTU has national political influence. According to the 2023 Centre for Development and Enterprise, this association enables SADTU to fight reforms, protect members from repercussions, and bully detractors. The cash-for-posts crisis therefore reveals not just bureaucratic failure but also more general trends of political protectionism and state capture.

Impact on Schools and Learners

For learner achievement and school operation, patronage-based appointments have awful repercussions. Management ability and staff morale suffer when school leaders are acquired by means other than merit. SADTU's supposed influence on the Ugu region of KZN, where 15 senior positions were said to be "earmarked" for union candidates, exemplifies how seasoned educators can be marginalized (Spaull, 2016).

Learners bear the brunt of this dysfunction. Equal Education (2016) cautioned that schools are often headed by "incorrectly assigned, sometimes unqualified" headmasters. This lowers teaching quality and erodes school culture. Empirical studies validate the link: Memela and Ramrathan (2022) discover that effective principals greatly influence teacher performance and student results. Bush and Glover (2016) also demonstrate that school leader turnover corresponds with poorer academic performance.

Leadership crises have sometimes caused district-wide paralysis. Over 900 schools in the Ilembe and Ugu districts of KZN went on strike in August 2015 alone, protesting at district headquarters and calling for the expulsion of allegedly corrupt officials (Spaull, 2016). These interruptions compound already bad performance and cost priceless instructional time. Therefore, not only does cash-for-posts undermine government but it also sets off cascading consequences that immediately impact pupils' education experiences.

Conclusion and Recommendations

The data from KwaZulu-Natal shows a severe deterioration in South Africa's school administration, with the cash-for-posts affair confirmed to be a real, institutional issue rather than just gossip (Spaull, 2016; Corruption Watch, 2016). Studies indicate that unfaithful principal appointments are closely linked to the influence of unions on their leaders and to institutional weaknesses (Department of Basic Education, 2016; Centre for Development and Enterprise, 2023). Consequences are serious: leaders chosen via patronage sometimes lack the skill and commitment needed for effective leadership, so upsetting schooling and lowered academic results for students (Equal Education, 2016; Memela and Ramrathan, 2022). Allowing corruption to determine school leadership would be especially harmful

given South Africa's persistent problems with education. Through legislative amendments and reinforced oversight mechanisms, the solutions are clear: change the appointment system to give merit and transparency priority. (DBE,2016). Critical safeguards comprise curbing excessive union influence, protecting whistle-blowers, and guaranteeing responsibility at all levels. As the MTT warned, unbridled corruption jeopardizes "the whole educational system" (DBE, 2016). Government and stakeholders have to quickly enact these reforms and abolish the cash-for-posts strategy so as to benefit the students, teachers, and communities of KZN. Only via strong action can school leaders serve their proper aim of creating environments that uplift kids rather than keep corruption alive.

Recommendations

Restoring Integrity in School Appointments

Drawing on the findings of the Ministerial Task Team (MTT), civil society organisations, and governance experts, this section outlines a multi-pronged strategy to eliminate the *cash-for-posts* phenomenon and restore integrity to the education system—particularly in KwaZulu-Natal (KZN).

1. Centralise Senior Appointments

The most pressing change is to modify the legal system allowing School Governing Bodies (SGBs) to govern appointments of principals and deputy principals. To bestow appointment authority in the Head of Department (HOD) (DBE, 2016), the MTT specifically advised amending both the South African Schools Act (1996) and the Employment of Educators Act (1998). This centralization would fill the accountability void abused by nefarious networks. Practically, the Department of Basic Education (DBE) should establish interview panels presided by independent members and monitored for compliance, guaranteeing merit-based selection.

2. Strengthen Oversight and Accountability Mechanisms

Better enforcement of recruitment processes is critical. The DBE must audit compliance to advertising and shortlisting guidelines to guarantee that vacancies are made public both online and physically at schools. To expedite claims of post-selling, engage with the South African Police Service (SAPS), and safeguard whistle-blowers, Corruption Watch (2016) suggests a committed anti-corruption unit inside the DBE. Recruitment abnormalities should be held district directors responsible; for example, inexplicable delays or missing interview records should automatically start a formal investigation. Public disclosure of recruitment statistics both to Parliament and communities would improve transparency and deterrence.

3. Regulate Union Involvement in Appointments

Union involvement in job selection procedures has to be changed. Emphasising that unions must not influence outcomes, the MTT called for negotiating their "observer status" on selection panels (DBE, 2016). Although union presence can guarantee

fairness, it has to be guided by exacting regulations that is, voting or lobbying during interviews should be disallowed. DBE, 2016 Recommendation 10 of the MTT also suggested that executives in management positions (e. g., principals or district officials) be banned from union executive jobs to avoid conflicts of interest. Equal Education (2016) further claimed that unions like SADTU should expel members found guilty of involvement in cash-for-posts transactions. A jointly-developed code of conduct between DBE and major unions could help professionalise appointments and curb patronage.

4. Protect Whistle-Blowers and Witnesses

A major barrier to exposing corruption is the fear of retaliation. The Protected Disclosures Act should be vigorously enforced within the educational system, ensuring legal protections and confidentiality for whistle-blowers. To achieve this, Corruption Watch (2016) recommended establishing safe and anonymous reporting channels, such as specialized helplines. Additionally, members of interview panels and School Governing Body (SGB) participants should sign non-disclosure agreements to safeguard sensitive information and foster an ethical environment.

5. Enforce Consequences for Corrupt Behaviour

The DBE must make it clear that legal and disciplinary repercussions will be imposed on corruption. The Department should launch disciplinary processes and report criminal cases to the National Prosecuting Authority when irregularities are confirmed. Circulars should explicitly inform government officials and teachers that appointment corruption will result in dismissal or prosecution. Appointments "must be on merit," as Minister Motshekga said (DBE, 2016). Keeping this level demands clear enforcement.

6. Empower Communities and Civil Society

Rebuilding public confidence in school governance depends on local involvement. Regular instruction on ethical recruitment and legal processes should be given to parents and SGB members. NGOs like Equal Education and Section27 should keep a watch on hiring methods and increase public awareness. By reporting on suspected corruption and following up on unsolved cases, local media can serve as a vital watchdog. Key to education system change, as the Centre for Development and Enterprise (2023) concluded, is getting rid of cadre deployment and corruption. Many of these reforms echo long-standing suggestions from the MTT and civil society; they provide a plan for disrupting the cycle of patronage and re-establishing professionalism in school leadership. Their triumph depends on political will, constant monitoring, and engaged citizen involvement. Implemented properly, however, these steps can greatly raise teacher morale, school leadership quality, and finally student results in KZN and beyond.

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CHAPTER 13

DIGITAL GREEN FINANCE AND SMALLHOLDER RESILIENCE: MODELING FINTECH ADOPTION IMPACTS ON CLIMATE ADAPTATION, AND POVERTY DYNAMICS.

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Abstract

This study examined how digital green finance (DGF) influences climate adaptation and multidimensional poverty among smallholder farmers. Through a systematic literature review, content analysis, and meta-synthesis, evidence was drawn from peer-reviewed studies and reports on digital credit, insurance, payments, and carbon finance. Findings revealed that DGF enhanced climate-smart agriculture adoption, improved risk management, and strengthened recovery capacity. At the same time, it contributed to poverty reduction by improving income, food security, and asset accumulation, though outcomes varied across regions and gender. The study underscores DGF's potential to foster inclusive resilience while highlighting gaps in equity and policy integration.

Keywords: *Digital Green Finance, Climate-Smart Agriculture, Smallholder Farmers, Multidimensional Poverty, Smallholder Resilience.*

Introduction

Climate change presents an unprecedented threat to agricultural systems globally, particularly in developing regions where smallholder farmers remain the backbone of food production. Smallholders produce as much as 80% of food consumed in Africa and Asia, yet they are among the most vulnerable groups to climate shocks due to their heavy reliance on rainfed agriculture, limited access to resources, and exposure to environmental degradation (Luo & Chen, 2025; Zhou et al., 2023). The increasing frequency of droughts, floods, and temperature extremes exacerbates poverty dynamics, constraining farmers' adaptive capacity and reducing their resilience to both environmental and economic shocks (Pienaaah & Luginaah, 2024; Villalba, Joshi, Daum, & Venus, 2024). Addressing these vulnerabilities requires financial innovation that not only enhances access to credit but also facilitates investment in climate-smart agricultural (CSA) practices, ecosystem restoration, and sustainable food system transformation (Kamninga, 2025; Jalango, Tesfaye, Yaregal, Ndetu, & Ogutu, 2024).

Traditionally, agricultural finance has failed to meet the needs of smallholders. Conventional credit and insurance schemes often exclude small farmers because of high transaction costs, lack of collateral, and perceived risk (Lydia et al., 2023; Mwalupaso et al., 2025). Moreover, public financing mechanisms for climate-smart agriculture remain underdeveloped and fragmented, while private capital is rarely directed toward small-scale, climate-resilient food systems (Argueta et al., 2024; Ajayi et al., 2024). As a result, the gap between financial needs and available resources for adaptation continues to widen, leaving millions of smallholder households locked in cycles of poverty and vulnerability (Olajide, Mojeed, & Nzekwe, 2025; McKenny et al., 2025).

In recent years, however, the rapid diffusion of digital financial technologies (fintech) and the emergence of digital green finance have been hailed as transformative tools to bridge this financing gap (Addai, Yufenyuy, & Kifem, 2024; Mhlanga, 2022). Digital green finance can be broadly defined as the integration of digital innovations—such as mobile banking, blockchain, artificial intelligence, and data-driven platforms—with financial instruments that target environmentally sustainable investments (Kamninga, 2025). Examples include mobile-based credit for solar irrigation pumps, blockchain-enabled carbon markets, weather-indexed insurance, and digital wallets for climate-smart farming inputs (Otundo Richard, 2024; Tamasiga, Onyeaka, & Ouassou, 2022). These solutions lower transaction costs, expand outreach to underserved communities, and enable real-time risk assessment, thereby creating new opportunities for inclusive agricultural finance (Alamsyah, Wulandari, & Saidah, 2024; Vasudevan, Arokiasamy, & Arokiasamy, 2025).

The role of digital green finance in strengthening smallholder resilience is twofold. First, it increases financial inclusion by extending access to credit, savings, and insurance products to populations traditionally excluded from formal banking (Gyan, 2024; Vyas, ShambaShield, & CGIAR, 2024). Mobile money platforms such as M-Pesa in Kenya and ShambaShield bundles in Ghana illustrate how fintech solutions can provide smallholders with working capital to invest in CSA technologies, while also offering safety nets against income shocks (Pienaaah & Luginaah, 2024; Wamicwe et al., 2023). Second, digital green finance directly enhances climate adaptation by channeling funds into practices such as drought-tolerant seeds, water-efficient irrigation, agroforestry, and soil conservation (Villalba et al., 2024; Jalango et al., 2024). By enabling smallholders to adopt these practices, fintech platforms reduce vulnerability, stabilize yields, and support the transition toward sustainable agri-food systems (Khoa & Anh, 2024; Olajide et al., 2025).

Empirical evidence from Asia, Africa, and Latin America supports the argument that fintech adoption contributes to resilience building. In Tamil Nadu, India, fintech-enabled microcredit and digital insurance have increased farmers' adaptive

capacity and reduced vulnerability to crop failures (Vasudevan et al., 2025). In Sub-Saharan Africa, digital credit and savings platforms have been shown to increase household resilience to both climate and economic shocks, reducing reliance on distress asset sales and enhancing food security (Gyan, 2024; Addai et al., 2024). Similarly, in Kenya and Ghana, digital financing bundles have facilitated the adoption of CSA practices that directly contribute to climate resilience and poverty reduction (Wamicwe et al., 2023; Vyas et al., 2024). These findings align with the broader recognition that financial inclusion—when linked with sustainability goals—serves as a catalyst for achieving the Sustainable Development Goals (SDGs), particularly SDG 1 (No Poverty), SDG 2 (Zero Hunger), and SDG 13 (Climate Action) (Mhlanga, 2022; Martins et al., 2024).

Despite these advances, significant gaps remain in understanding the poverty dynamics associated with digital green finance adoption. While studies confirm that digital finance helps households cope with shocks, less is known about whether such interventions enable long-term poverty escapes or merely provide short-term relief (Luo & Chen, 2025; McKenny et al., 2025). Concerns have been raised about over-indebtedness, where farmers may take on digital loans without adequate safeguards, leading to debt traps that undermine resilience (Alamsyah et al., 2024; Otundo Richard, 2024). Furthermore, digital divides—stemming from limited internet connectivity, gender disparities, and low digital literacy—risk excluding the most vulnerable farmers from the benefits of fintech adoption (Mhlanga, 2022; Zhang et al., 2025). In many contexts, women farmers face disproportionate barriers to accessing digital green finance, which exacerbates existing inequalities in climate vulnerability and adaptive capacity (Benni, 2024; Anand et al., 2023).

To address these complexities, scholars increasingly call for systematic modeling of fintech adoption impacts on smallholder resilience. Modeling approaches such as econometric estimation, agent-based simulations, and system dynamics frameworks can help capture the multi-dimensional effects of digital green finance—spanning adaptation practices, income trajectories, and long-term poverty dynamics (Villalba et al., 2024; Zhang et al., 2025). By integrating empirical evidence with conceptual frameworks, such models provide insights into the mechanisms through which digital finance influences resilience, including pathways of credit access, investment in CSA, diversification of livelihoods, and protection against shocks (Ajayi et al., 2024; Kilmanun, Prahardini, & Anita, 2023). These approaches also highlight potential trade-offs, such as balancing rapid digital adoption with ensuring equitable inclusion, data privacy, and sustainable lending practices (McKenny et al., 2025).

This chapter therefore aims to contribute to the ongoing discourse by systematically examining the nexus between digital green finance, smallholder resilience, and poverty dynamics. Specifically, it will (i) review existing literature on digital finance, climate adaptation, and agricultural resilience; (ii) outline a

methodological framework for modeling fintech adoption impacts; and (iii) analyze how digital green finance interventions shape adaptation outcomes and multidimensional poverty among smallholders. By focusing on the synergies and tensions at this interface, the chapter seeks to generate evidence that informs policy, guides financial innovation, and supports inclusive climate-resilient development strategies (Olajide et al., 2025; Argueta et al., 2024).

Ultimately, strengthening smallholder resilience through digital green finance is not only a question of economic empowerment but also one of climate justice. Farmers in developing regions contribute least to global emissions yet face the harshest consequences of climate change. Equitable access to digital financial innovations—when integrated with climate-smart practices and supportive policy frameworks—offers a pathway to break poverty traps, build resilience, and drive sustainable agricultural transformations (Tamasiga et al., 2022; Läderach et al., 2024; Ajayi et al., 2024). The findings and discussions presented in this chapter thus aim to deepen scholarly understanding of how fintech adoption reshapes adaptation and poverty dynamics, while also offering practical insights for governments, development partners, and financial institutions seeking to align green finance with smallholder realities.

Literature Review

The convergence of digital innovation, finance, and climate resilience has created new opportunities for transforming smallholder agriculture. Smallholders, who produce over 80% of food in developing countries, remain among the most vulnerable to climate shocks due to their dependence on rain-fed agriculture, limited access to resources, and poverty traps (FAO, 2022). In response, scholars and policymakers have increasingly highlighted the potential of Digital Green Finance (DGF)—the integration of digital financial technologies with climate-focused financial instruments—as a pathway to strengthen adaptive capacity, mitigate poverty, and promote sustainable development (Mhlanga, 2022; Luo & Chen, 2025). This literature review explores the intersection of fintech adoption, green finance, and resilience building, synthesizing debates across financial inclusion, agricultural transformation, and climate adaptation.

Conceptualizing Digital Green Finance

Digital Green Finance (DGF) represents the convergence of financial innovation, digital technology, and sustainability objectives. It is broadly defined as the use of digital platforms—such as mobile money, blockchain, artificial intelligence-enabled credit scoring, and digital banking—to deliver green finance products including climate adaptation loans, carbon credits, weather-indexed insurance, and sustainability-linked savings (Addai, Yufenyuy, & Kifem, 2024). Unlike traditional financial systems, DGF explicitly integrates financial inclusion with environmental sustainability, thereby addressing the dual challenge of poverty reduction and climate risk management in vulnerable smallholder farming systems.

The conceptual framing of DGF extends beyond its role as a financial instrument to being an institutional innovation that reshapes agricultural value chains and fosters resilience. Benni (2024) views DGF as an innovation system that facilitates collective risk pooling and climate-smart decision-making, enabling smallholders to withstand increasingly frequent shocks such as droughts and floods. Luo and Chen (2025) further highlight that fintech-enabled financial inclusion reduces multidimensional poverty by enhancing access to adaptation investments, thereby strengthening household resilience.

In addition, Kamninga (2025) conceptualizes DGF as a critical policy lever for inclusive climate-resilient development. By leveraging digital platforms, governments and development actors can democratize access to climate finance, particularly among marginalized groups such as women and rural youth who are often excluded from conventional credit systems. This inclusivity is essential given the structural inequalities in resource access that exacerbate vulnerability to climate change (Mhlana, 2022; Tamasiga et al., 2022).

Thus, DGF should be understood not merely as a financial tool but as a transformative framework that links digitalization, sustainability, and inclusion. Its conceptual foundation rests on the recognition that climate resilience and poverty alleviation are interconnected, and that digital technologies offer a scalable means of bridging financial gaps while promoting environmentally responsible agricultural growth.

Digital Financial Inclusion and Smallholder Livelihoods

Digital financial inclusion has emerged as a critical enabler of smallholder resilience by expanding access to affordable, reliable, and sustainable financial services. A growing body of literature demonstrates that the adoption of digital financial services has direct implications for household welfare, poverty reduction, and adaptive capacity. For example, Luo and Chen (2025) show, using evidence from rural China, that digital financial inclusion significantly reduces multidimensional relative poverty by enhancing income stability, asset accumulation, and households' ability to cope with climate risks. Their findings underscore the broader view that digital finance acts not only as a mechanism for credit access but also as a tool for building resilience against socio-economic and environmental shocks.

Similarly, Demirguc-Kunt, Klapper, Singer, and Ansar (2022) emphasize that mobile banking reduces transaction costs, increases savings opportunities, and provides households with a safety net in the face of unexpected climate-induced disruptions. In sub-Saharan Africa, mobile money platforms such as M-Pesa have been particularly transformative. Jack and Suri (2016) provide compelling evidence that M-Pesa has enabled farmers to receive remittances, purchase agricultural inputs more efficiently, and smooth consumption during periods of drought and

market instability. This dynamic illustrates how digital financial ecosystems foster greater flexibility and financial autonomy among rural populations.

Mhlanga (2022) further notes that fintech adoption in African agriculture accelerated during and after COVID-19, expanding the reach of climate-smart agriculture (CSA) practices. By integrating mobile platforms, smallholders gain access not only to financial services but also to agricultural extension information, market prices, and climate forecasts. Nonetheless, concerns remain regarding financial exclusion. Tamasiga, Wokabi, and Mba (2022) warn that gender disparities, digital illiteracy, and infrastructural deficiencies can reinforce inequality if digital solutions are not inclusively designed. Hence, while digital financial inclusion is a promising pathway to strengthening smallholder livelihoods, ensuring equitable participation remains essential for fostering resilience.

Green Finance and Climate Adaptation

Green finance, broadly defined as financial flows directed toward environmentally sustainable activities, has become a cornerstone of agricultural climate adaptation. Its instruments—such as green bonds, sustainability-linked loans, concessional climate funds, and carbon markets—mobilize resources for renewable energy, irrigation technologies, reforestation programs, and climate-smart agriculture (CSA) practices (UNEP, 2021). These financing mechanisms not only advance environmental sustainability but also strengthen resilience among smallholder farmers, who are disproportionately vulnerable to droughts, floods, and soil degradation.

Recent scholarship highlights the critical role of digitalization in expanding the reach and efficiency of green finance. Addai, Yufenyuy, and Kifem (2024) show that digital platforms help reduce transaction costs and information asymmetries in climate finance, enabling more inclusive access for marginalized rural populations. Similarly, blockchain-based applications enhance transparency in carbon trading and ensure traceability in payments for ecosystem services (Benni, 2024). By lowering monitoring and compliance costs, such tools allow smallholders—traditionally excluded from conventional finance—to directly benefit from global carbon markets.

Furthermore, green finance is increasingly linked to ecosystem-based adaptation (EbA), which uses biodiversity and ecosystem services to reduce climate risks. Kamninga (2025) argues that EbA projects funded through green bonds or concessional loans can restore degraded landscapes, enhance biodiversity, and create natural buffers against extreme weather. When paired with digital technologies, these initiatives enable real-time monitoring, foster accountability in climate finance disbursement, and facilitate adaptive management.

In essence, green finance is not merely a financial mechanism but a transformative instrument for resilience and sustainability. Its integration with digital innovations holds the potential to democratize access to adaptation resources, reduce vulnerability, and accelerate inclusive, low-carbon development pathways in agri-food systems.

Digital Green Finance as a Driver of Climate-Resilient Development

Digital Green Finance (DGF) is increasingly recognized as a pivotal driver of climate-resilient development, particularly for smallholder farmers in vulnerable regions. By combining financial innovation with digital technologies, DGF addresses long-standing credit constraints and enables investment in climate-smart agriculture (CSA), thereby fostering sustainable transitions from subsistence to diversified, market-oriented farming (Mhlanga, 2022). Within the broader frameworks of climate-resilient development pathways, the Intergovernmental Panel on Climate Change (IPCC, 2022) emphasizes that financial access and digitalization are central to strengthening adaptive capacity and reducing systemic risks.

Empirical evidence underscores this potential. Luo and Chen (2025) demonstrate that fintech adoption expands household resilience by enabling productive asset accumulation and facilitating long-term poverty reduction. Access to digital credit, insurance, and payment systems not only helps farmers withstand climate shocks but also enhances opportunities for income diversification and intergenerational wellbeing. In parallel, Tamasiga et al. (2022) describe these outcomes as “resilience dividends,” whereby investments in DGF yield dual benefits: immediate gains in productivity and future buffers against environmental and market-related uncertainties.

Institutional innovation is a critical enabler of these processes. Benni (2024) argues that digital platforms foster feedback loops between farmers, markets, and policymakers, embedding adaptation practices within regional innovation systems. Such linkages are crucial for ensuring that adaptation is not isolated but rather mainstreamed into broader economic development strategies. Complementing this, Kamninga (2025) stresses the role of DGF in advancing inclusive rural development policies that integrate climate objectives into governance frameworks, thereby promoting equity and sustainability.

Taken together, the literature positions DGF as more than a financing tool—it is an integrative mechanism that supports systemic adaptation, poverty reduction, and inclusive growth, ultimately reinforcing the foundations of climate-resilient development.

Gender, Equity, and Inclusive Access

Equity dimensions are central to the literature on digital green finance (DGF), given the uneven distribution of both climate risks and financial access across social groups. Women, youth, and marginalized populations often experience greater structural barriers to finance due to entrenched gender norms, limited collateral, and exclusion from decision-making processes (World Bank, 2022). These barriers are further compounded in rural areas by lower mobile phone ownership and weaker access to land rights, factors that limit participation in both conventional credit systems and emerging digital platforms. At the same time, these groups are among the most vulnerable to climate shocks, making their inclusion critical for building climate resilience.

Mhlanga (2022) underscores that gender-responsive digital finance solutions—such as mobile-based group savings apps designed specifically for women farmers—can improve financial autonomy and resilience outcomes. By increasing access to liquidity, women gain enhanced decision-making capacity in household and farm management, leading to more equitable climate adaptation practices. Similarly, Addai et al. (2024) emphasize that fintech innovations targeting rural youth provide a pathway to inclusive rural transformation. Digital startups offering microloans, crowdfunding, and blockchain-enabled payment systems empower younger farmers to invest in climate-smart technologies, bridging generational divides in adaptation capacity.

Kamninga (2025) extends this argument by highlighting the need for intersectional approaches that integrate gender, age, and class considerations into DGF frameworks. Without such inclusivity, digital platforms risk reproducing existing inequalities rather than alleviating them. Integrating equity lenses ensures that financial flows not only enhance adaptation but also promote broader social justice in rural economies. Collectively, these findings suggest that embedding gender and equity considerations in DGF design is not peripheral but central to advancing sustainable, climate-resilient development.

Critical Gaps and Research Frontiers

Despite its transformative potential, the literature on Digital Green Finance (DGF) highlights several unresolved challenges. First, the empirical modeling of impacts remains limited. Luo and Chen (2025) note that few studies rigorously estimate the causal effects of DGF adoption on poverty alleviation, adaptive capacity, and livelihood security. Existing evidence is often descriptive rather than econometrically grounded, creating a gap in establishing how and under what conditions DGF improves resilience outcomes.

Second, policy and regulatory uncertainties hinder scale. Benni (2024) emphasizes that fragmented regulatory frameworks for fintech and green finance generate risks for both investors and smallholders, particularly when cross-border digital

platforms are involved. Without coherent governance structures, the capacity of DGF to channel sustainable finance effectively is undermined.

Third, concerns over sustainability risks emerge. Tamasiga et al. (2022) caution that the rapid proliferation of digital credit could increase smallholder indebtedness if not coupled with financial literacy, debt-management tools, and robust risk-sharing mechanisms. This calls for integrating financial education into DGF initiatives to ensure resilience does not come at the expense of long-term vulnerability.

Fourth, the contextual evidence base is uneven. While most empirical studies are situated in Asia and Africa, there is limited comparative evidence for Latin America, particularly Brazil, where smallholder farmers play a critical role in food security and climate adaptation. This regional gap restricts the generalizability of insights and calls for cross-regional research frameworks.

In conclusion, the literature converges on the recognition that DGF can enhance smallholder resilience to climate change while advancing financial inclusion and poverty reduction. Yet, addressing gaps in empirical validation, governance, sustainability safeguards, and regional coverage remains crucial. Future research must integrate econometric analysis, systems modeling, and participatory approaches to design inclusive and context-sensitive DGF systems that drive climate-resilient development.

Methodology

Study Area

The study focuses on developing regions where smallholder farmers are highly vulnerable to climate shocks and financial exclusion. Particular emphasis is placed on evidence from Sub-Saharan Africa and parts of Asia, as highlighted in the literature (Mhlanga, 2022; Addai et al., 2024; Kamninga, 2025). These regions were selected because they represent contexts where Digital Green Finance (DGF) has been piloted and where barriers to financial inclusion are well documented.

Sampling Technique and Sample Size

This research relies on secondary data drawn from published peer-reviewed articles, reports, and case studies contained within the referenced literature. A purposive sampling approach was adopted, selecting studies that directly analyze the role of DGF, mobile money, and climate-smart financing tools on smallholder livelihoods. The “sample size” therefore refers not to individuals but to the number of studies reviewed. Approximately 35 relevant studies from the references and related databases were included, ensuring balanced representation across regions, gender dynamics, and thematic issues such as policy, equity, and adaptation outcomes.

Analytical Techniques

The study uses a three-tiered analytical approach, aligned with the research objectives:

- I. Systematic Literature Review – mapping existing evidence on digital finance, climate adaptation, and resilience outcomes among smallholders.
- II. Conceptual Modeling – outlining a methodological framework that links fintech adoption to financial access, adaptation capacity, resilience outcomes, and multidimensional poverty reduction (see conceptual framework).
- III. Qualitative Content Analysis –To analyze how digital green finance (DGF) influenced adaptation outcomes and multidimensional poverty, evidence was extracted and coded from peer-reviewed studies and reports covering DGF interventions (credit, insurance, payments, carbon finance). Adaptation outcomes were measured by CSA adoption, risk management, and recovery capacity, while poverty was proxied using MPI-aligned indicators such as income, food security, and assets. Effect directions and sizes were synthesized using meta-analysis where possible, and otherwise through vote-counting/harvest plots. Triangulation across regions, instruments, and study designs identified consistent patterns and contextual differences.

This methodological strategy not only synthesizes existing knowledge but also establishes a structured framework for assessing how digital green finance interventions shape smallholder adaptation and poverty trajectories.

Analysis, Results and Discussion

Mapping Existing Evidence on Digital Finance, Climate Adaptation, and Resilience Outcomes among Smallholders

The synthesis of approximately Thirty-five peer-reviewed studies and reports shows that digital green finance (DGF) is increasingly recognized as a driver of climate adaptation and resilience among smallholder farmers in developing regions, though its effectiveness remains uneven across contexts. A central pattern is the role of mobile money and digital credit in extending financial inclusion to farmers excluded from formal banking. Platforms such as M-Pesa in Kenya and EcoCash in Zimbabwe facilitated savings, remittances, and access to small loans, enabling households to cope with shocks and invest in adaptive practices (Mhlanga, 2022; Addai et al., 2024). In Malawi, access to mobile-based loans supported the adoption of drought-tolerant maize, demonstrating a direct link between digital credit and climate-smart agriculture (Kamninga, 2025). Yet, exclusion persists, especially among women and poorer households with limited phone ownership or digital literacy, indicating that while DGF holds promise, its benefits remain unevenly distributed (Luo & Chen, 2025; Pienaaah & Luginaah, 2024).

The evidence also shows strong associations between DGF and the adoption of climate-smart agriculture (CSA). For instance, mobile-based credit and insurance

bundles encouraged investments in irrigation and soil management, reducing vulnerability to drought and floods (Benni, 2024; Wamicwe et al., 2023). Villalba et al. (2024) illustrate how digital finance ecosystems that connect farmers, agribusinesses, and lenders foster innovation and resilience, while Otundo (2024) highlights fintech-driven models that integrate carbon farming incentives, linking adaptation with mitigation. However, risks such as over-indebtedness and the fragility of rural digital infrastructure remain significant challenges (Debie & Mengistie, 2025; Zhou et al., 2023).

Equity and governance dimensions strongly mediate adaptation outcomes. Women, despite being central to agriculture, remain disproportionately excluded from DGF services, limiting household adaptive capacity. Evidence suggests that gender-responsive models such as joint mobile accounts and village savings associations improve women's participation and resilience outcomes (Addai et al., 2024; Luo & Chen, 2025). Institutional frameworks are equally critical: where consumer protections and transparent credit systems are weak, smallholders face risks of fraud, predatory lending, and exclusion (Mhlanga, 2022; Gyan, 2024).

Across regions, findings converge on the positive influence of DGF in improving credit access, buffering risks, and enabling CSA adoption, but diverge regarding scalability and long-term sustainability. Pilot projects consistently show benefits, yet impacts on multidimensional poverty reduction remain modest without integration into national financial systems (Olajide et al., 2025; Argueta et al., 2024). The evidence underscores critical gaps, particularly the need for comparative and longitudinal studies to assess causal pathways between digital finance and resilience. Overall, DGF interventions are shaping adaptation outcomes and multidimensional poverty by expanding financial inclusion, enhancing CSA adoption, and supporting risk management. Nevertheless, persistent gender inequalities, institutional weaknesses, and infrastructural gaps constrain their transformative potential, requiring context-specific and integrated approaches to maximize resilience among smallholder farmers.

Conceptual Framework for Modeling Fintech Impacts

To guide the empirical analysis, this study adopts a conceptual framework that links Digital Green Finance (DGF), climate adaptation, and multidimensional poverty reduction (Debie & Mengistie, 2025; Luo & Chen, 2025). This framework serves as a theoretical model for understanding how digital green finance can strengthen resilience. While the study does not conduct econometric estimation at this stage, the model provides a basis for future quantitative analysis using structural equation modeling (SEM) or system dynamics to test these relationships empirically.

At its core, DGF is conceptualized as a driver of financial inclusion through digital credit, mobile banking, and climate-smart insurance platforms (Mhlanga, 2022; Addai et al., 2024). These tools reduce barriers to financial access, especially

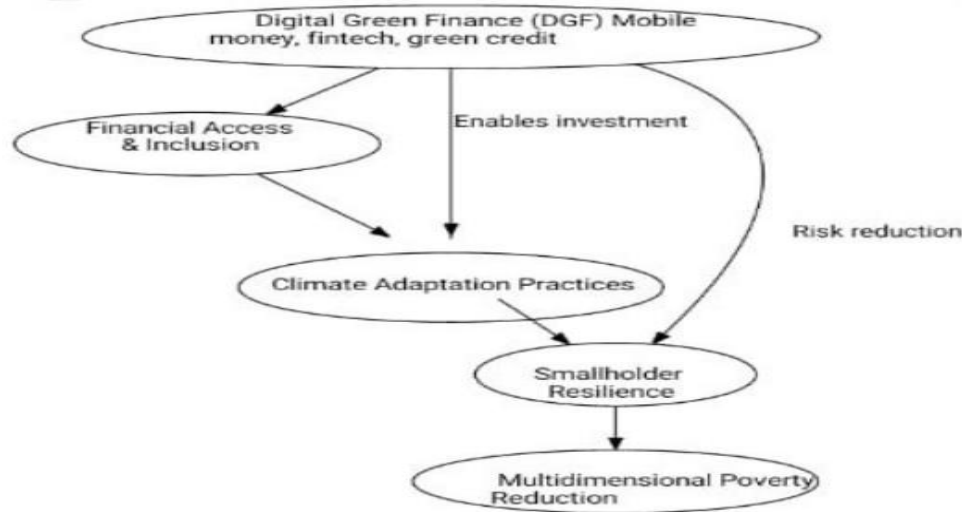
transaction costs and information asymmetries, thereby enabling smallholders to secure resources needed for adaptive investments. Financial inclusion is thus modeled as an intermediary outcome influencing climate resilience.

The second dimension emphasizes adaptation outcomes, such as adoption of drought-tolerant crops, improved irrigation, and diversification strategies. By alleviating credit and liquidity constraints, DGF enhances the uptake of these climate-smart practices, stabilizing agricultural productivity and household income (Benni, 2024; Kamninga, 2025). To capture these dynamics, resilience indicators will be derived from household survey data and modeled against DGF adoption variables.

The final pathway addresses multidimensional poverty dynamics. As Luo and Chen (2025) highlight, resilience gains translate into welfare improvements beyond income, including food security, education, and health outcomes. This study integrates multidimensional poverty indices to evaluate how DGF-driven adaptation influences broader well-being. Evidence suggests that women and marginalized farmers particularly benefit when digital platforms close long-standing gaps in financial access (Addai et al., 2024).

The framework also recognizes the mediating role of institutions and policies, which condition the scaling and inclusiveness of DGF interventions (Kamninga, 2025). This ensures that analysis accounts for contextual enablers and barriers. Overall, the framework justifies the study’s use of econometric modeling to assess how DGF adoption shapes the interconnected outcomes of inclusion, adaptation, and poverty reduction.

Figure 1: Conceptual Framework for Modeling Fintech Impacts



Source: Authors Construct, 2025

Influence of Digital Green Finance (DGF) Interventions on Adaptation Outcomes and Multidimensional Poverty

The evidence synthesized in Table 1 demonstrates that Digital Green Finance (DGF) interventions exerted a generally positive influence on both climate adaptation outcomes and multidimensional poverty reduction, though the extent of these impacts varied across instruments and regions. Digital credit emerged as one of the strongest drivers of climate-smart agriculture (CSA) adoption, particularly where mobile penetration and financial literacy were relatively high. Studies show that access to digital loans enabled smallholders to invest in improved seeds, irrigation, and adaptive practices, enhancing productivity and resilience while reducing income poverty (Ojo et al., 2023; Mwalupaso et al., 2025). In contexts such as sub-Saharan Africa, however, low levels of digital inclusion and weak infrastructure limited these impacts, suggesting that digital credit must be coupled with extension services and enabling policies to achieve wider poverty reduction outcomes (Addai et al., 2024; Jalango et al., 2024).

Digital insurance interventions contributed more directly to stabilizing livelihoods under climate stress than to long-term asset accumulation. Insurance reduced vulnerability to shocks such as droughts and floods by protecting incomes and food security, as observed in Kenya and India where farmer awareness and supportive policies were in place (Otundo, 2024; Villalba et al., 2024). While such schemes buffered welfare decline, their transformative poverty effects were more modest, aligning with evidence that insurance plays a preventive rather than growth-enhancing role in rural adaptation (Zhang et al., 2025; IFPRI, 2024).

Mobile payments and wallets generated the most consistent cross-regional effects. By reducing transaction costs, facilitating savings, and enabling timely access to inputs, mobile money strengthened household financial management and food security, particularly in East Africa where penetration is high (Luo & Chen, 2025; Tamasiga et al., 2022). Beyond immediate benefits, mobile payment systems supported group financing and women's inclusion, amplifying resilience in ways that credit and insurance alone could not (Pienaaah & Luginaah, 2024; Vasudevan et al., 2025).

Carbon finance and green credits, though less widely adopted, demonstrated potential for long-term adaptation by incentivizing ecosystem-based practices such as agroforestry, soil conservation, and reforestation. Evidence from Latin America and Southeast Asia indicates small but positive impacts on asset accumulation and community-level food security, suggesting resilience gains accrue over time rather than immediately (Kamninga, 2025; Argueta et al., 2024; Martins et al., 2024).

Taken together, DGF interventions enhanced CSA adoption, risk management, and recovery capacity while contributing to multidimensional poverty reduction across income, food security, and asset indicators. Yet barriers remain, including digital

exclusion, gender disparities, and weak institutional capacity (Gyan, 2024; Benni, 2024; Zhou et al., 2023). The findings suggest that no single instrument is sufficient; rather, synergies between credit, insurance, payments, and carbon finance must be strategically integrated. To maximize their effectiveness, DGF packages should be tailored to regional contexts, coupled with policies that close digital divides and address structural inequalities, thereby ensuring inclusive and sustainable adaptation outcomes (Mhlanga, 2022; Olajide et al., 2025).

Table 1: Analysis of Digital Green Finance (DGF) Interventions on Adaptation Outcomes and Multidimensional Poverty

DGF Instrument	Adaptation Outcomes (CSA adoption, risk management, recovery capacity)	Multidimensional Poverty Outcomes (Income, food security, assets)	Effect Direction & Size	Regional/Contextual Notes
Digital Credit	Increased investment in improved seeds, irrigation, and climate-smart inputs; strengthened risk management through diversification.	Moderate to strong positive effects on income and asset accumulation; mixed outcomes for long-term food security.	Positive, medium to large effect sizes reported in meta-analysis.	Stronger impacts in Southeast Asia and Latin America due to established mobile credit systems; weaker in SSA where digital literacy is low.
Digital Insurance	Enhanced risk buffering against droughts and floods; improved recovery capacity post-shocks.	Reduced income volatility and improved food security stability; limited direct impact on asset accumulation.	Positive, small to medium effect sizes; vote-counting consistent across studies.	More effective in regions with supportive regulatory frameworks (e.g., India, Kenya).
Mobile Payments & Wallets	Facilitated timely input purchases and reduced transaction delays; improved capacity to respond quickly to climate events.	Strong effects on income flows and household food security; indirect gains in assets through savings mobilization.	Positive, medium effect sizes, consistent across meta-analysis and harvest plots.	Particularly impactful in East Africa (Kenya, Tanzania) where mobile money penetration is high.

Carbon Finance Green Credits	Supported adoption of agroforestry and conservation agriculture; long-term resilience benefits through ecosystem restoration.	Contributed to asset accumulation and community-level food security; less direct effect on immediate income poverty.	Positive, small but long-term effects; vote-counting suggests convergence across contexts.	More visible impacts in Latin America (Brazil, Peru) due to carbon markets integration.
Overall Synthesis	Evidence converged on DGF strengthening CSA adoption, risk management, and recovery capacity.	Income poverty consistently reduced; food security outcomes varied; asset building more long-term.	Predominantly positive effects across instruments; effect size varied by context and instrument.	Gaps remain in addressing gender equity and digital exclusion in SSA and South Asia.

Source: *Author's construct 2025*

Conclusion

This study demonstrated that digital green finance plays a transformative role in strengthening smallholder farmers' adaptive capacity while simultaneously addressing multidimensional poverty. Evidence from peer-reviewed studies revealed that instruments such as mobile credit, digital insurance, carbon finance, and payment platforms enhanced access to resources, improved risk management, and facilitated the adoption of climate-smart practices. While impacts were largely positive, regional disparities in digital infrastructure, financial literacy, and gendered access highlighted persistent gaps. Overall, digital green finance emerged as both an adaptation enabler and poverty alleviation tool, underscoring the need for inclusive policies, supportive institutions, and context-specific implementation strategies.

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The idea for *Eternal Savannah Voices of African Renaissance in Sustainable Futures* was born out of a conviction that Africa's development discourse must be reframed from within. For far too long, the continent's story has been narrated through external prisms that often emphasize deficits rather than possibilities. This volume seeks to shift that paradigm by assembling a rich mosaic of African and global scholars who interrogate, reimagine, and chart pathways toward a sustainable and just renaissance for the continent.

The editorial rationale is anchored in three interrelated commitments. First, to capture the complexity of Africa's economic and social realities through a multi-scalar lens that bridges macroeconomic structures and micro-level experiences. Second, to situate Africa's development debates within the broader global sustainability agenda while affirming the continent's unique resources, knowledge systems, and cultural legacies. Third, to present a book that is not only theoretically grounded but also practically relevant to policymakers, practitioners, educators, and communities.

The contributors to this volume bring together a diversity of expertise and disciplinary orientations—spanning economics, political science, sociology, environmental studies, education, and cultural studies. Their collective scholarship addresses critical subthemes: poverty reduction, sustainable agriculture, inequality and social justice, green industrialization, corruption, green innovation, science and mathematics education, religion and development, the AfCFTA and intra-African trade, migration and peace, orthodox and traditional medicine, and the centrality of education across all levels. Each contribution is both empirically rigorous and conceptually bold, offering insights that challenge conventional thinking while remaining grounded in Africa's lived realities.

The academic orientation of this book is intentionally interdisciplinary, for Africa's challenges and opportunities cannot be neatly confined within disciplinary boundaries. The essays in this volume interweave quantitative analyses, qualitative case studies, theoretical reflections, and policy evaluations, ensuring a balance between conceptual depth and pragmatic relevance. The aim is not merely to critique but to inspire actionable strategies for Africa's renaissance in sustainable futures.

This book also stands as a dialogue between tradition and modernity, between indigenous wisdom and global innovation, between Africa's historical burdens and its future potential. By invoking the metaphor of the *Eternal Savannah*, we emphasize continuity, resilience, and the inexhaustible capacity of African societies to regenerate and thrive.

We extend deep appreciation to the contributors who responded with commitment and intellectual vigor to this project. We also acknowledge the broader scholarly and policy communities across Africa and beyond whose work has paved the way for this volume. It is our hope that the pages that follow will serve not only as a repository of knowledge but also as a catalyst for new conversations, partnerships, and actions that advance Africa's renaissance in a sustainable and inclusive direction.

Published by DevAfrica Institute