

From Washington to Beijing Consensus: Can African Democracies Cope with the Economic Crisis?

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In the 1980s and early 1990s, multiparty democracy, or what seemed to be a movement from authoritarian to democratic regimes, started to be adopted by most Sub-Saharan African (SSA) countries. Changes at the global level and domestic pressures seem to explain this transition to a more open political system with competitive multiparty election. The fall of the Berlin Wall and the ensuing collapse of communism in Eastern Europe forced African authoritarian regimes to reckon that in the new global political context they could no longer take for granted the former support from either the USSR or the West. With the promotion of human rights, democracy, open markets gaining priority within the political agendas of European and North American countries, the international financial community also started to push for political and economic governance reforms as a prerequisite for the concession of grants or loans. Thus, donor financial support that once tended to fulfil the need to keep some African leaders' allegiances in cold war times have been increasingly provided and attached with political and economic conditions. As many African countries took on a democratic path, and despite major macroeconomic improvements in the last three to five years, the economic performance of the region as a whole has been disappointing for the past 15-20 years. Real growth per capita for SSA stayed below 1 percent for the period 1965-2005. Its share of the world exports has fallen from 3 percent in 1950 to under 1 percent in 2005. Real per capita capital inflows in 2005 were less than a third of the level reached two decades earlier. While 10 percent of the world's population lives in SSA, the region produces only 1 percent of global GDP. Additionally as the latest UN report evaluating the achievements in terms of the Millennium Development Goals in Africa points out, while substantial progress has been made globally, many SSA countries remain off track to meeting them by 2015. Now as the economic crisis hits hard donor countries and their aid budgets, this paper aims at assessing how African democratic and aid beneficiaries cope with the new context and rethink their political actions and public policies to foster growth and welfare. This is particularly relevant as the Washington Consensus seems to fade away in face of the emergence of the Beijing Consensus and the central role played by an interventionist and authoritarian state (398 words)