



Left to right: Sophie Ikenye, BBC Journalist; Aliko Dangote, Chairman & CEO of Dangote Group; Paul Kagame, President of Rwanda; Nana Akufo-Addo, President of Ghana; Daniel Kablan Duncan, Vice President of Côte d'Ivoire; Yaw Nsarkoh, Exec. Vice President of Unilever Ghana & Nigeria; Benjamin Dabrah, McKinsey Senior Vice President; K.Y. Amoako, Founder and President of ACET.

President's note: What comes next

In the last decade, economic transformation became the consensus paradigm for Africa's development. For it to succeed, one issue looms above all others: leadership.

by K.Y. Amoako | Aug 1, 2018

Ten years ago, the African Center for Economic Transformation (ACET) opened its doors in Accra with a single mission: to ensure that Africa's economic growth is sustainable and inclusive. As encouraging as it was to see so many African countries among the world's fastest growing economies, too many of those countries continued to rely on high commodity prices, natural resources, or macro reforms to drive their growth—none of which offers a pathway to stable and lasting development.

ACET began engaging African governments eager to move in new policy directions that would encourage growth through economic transformation: diversifying their production and exports, becoming more competitive in global markets, increasing productivity and efficiency, upgrading technologies, and, ultimately, improving human well-being by providing more productive jobs and higher incomes.

A decade later, ACET has worked with more than two dozen African countries in all these areas, helping policymakers and other stakeholders identify the issues and implement the actions to begin their own transformation journeys. The examples are numerous. ▶

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We have worked close to home, assisting the Government of Ghana in its planning functions and development assistance policies. We have worked in Rwanda, one of Africa's true twenty-first century success stories, by helping develop a national framework for investing in public-private partnerships. In Guinea, we worked government officials to strengthen the mining code to secure better extractives contracts. In Liberia, a country still trying to rebuild its institutional core, we helped merge the Finance and Planning ministries to strengthen capacity and improve infrastructure policy coordination. In Sierra Leone, we worked with the office of the president to strengthen decision making at the center of government.

At the same time, we also have striven to bring together these countries in which we've worked, so that policymakers can learn from each other and share their own experiences to speed up progress through events like the African Transformation Forum (ATF) and learning platforms like the Pan-African Coalition for Transformation (PACT), both of which are geared to drive action, not just produce talk.

The most recent Forum, ATF2018, convened in June in Accra, drew more than 300 participants. It was an inspiring event, full of hopeful energy and practical ideas for the future. In a relatively short period, I believe the ATFs have become instrumental in shaping transformation strategy at the country level and in building momentum at the continental level.

For example, PACT is based on the simple concept that African countries can accomplish more by working together than apart. It connects like-minded actors in both the public and private sectors to focus on implementing specific policy reforms—an example of collaborative leadership for transformation. There are now five PACT Chapters in all, at different stages of development. They cover extractives, manufacturing, youth employment, agriculture, and resource mobilization and management.

These five areas of focus are among the most fundamental to successful economic transformation. They are proven pathways, regardless of country or circumstance. In fact, much of ACET's work over the past ten years has revolved around these pathways. Our work over the next ten years surely will do more of the same.

And yet, the time has never been better to stop and ask ourselves: where do we go from here?

Defining issues for the decade ahead

In the decade since ACET's founding, economic transformation has gone from a fringe consideration in Africa to the consensus paradigm for African development. It's the backbone of long-term strategies at the African Union, the African Development Bank, and the UN Economic Commission for Africa. It's the clear way forward. But what does the next decade look like?

At this point, everyone knows the aforementioned "fundamental" pathways are critical to transforming economies and will remain so. But if we look ahead, a handful of additional issues loom large on the horizon—issues that, while highly relevant now, appear poised to dominate the dialogue around Africa's transformation and development over the coming years. ▶

These are issues on the frontier of advanced transformation strategies. They present increasing challenges—but also increasing opportunities—within the context of transformational needs. ACET intends to focus more attention on five areas in particular. They include:

- **Ensuring Africa's booming youth population** has access to improved education and skills training for decent jobs;
- **Expanding free trade and common markets** as a realization of the economic might of an integrated Africa;
- **Promoting a green economy** to mitigate climate impacts and ensure a transition to renewable energy, and also help decrease Africa's infrastructure gap;
- **Leveraging technology and innovation** to encourage entrepreneurship and accelerate growth and job creation.

Issues like agriculture, manufacturing and resource mobilization will continue to command attention, but the farther we get into Africa's transformation journey, the broader we must think. How we deal with this broad mix of critical issues will determine our eventual success—or failure.

And that brings me to the fifth—and arguably most important—issue that will impact Africa's future transformation success: leadership. It is the most essential precondition that exists for economic transformation. Everything else—plans, policies, public-private partnerships—flows from it. The quality of leadership in Africa in the next decade or more will go a long way in determining the ability of the continent to realize its vast potential.

At the closing session of ATF2018, a dialogue between African Heads of State and Government and African business leaders, Aliko Dangote, Africa's wealthiest and most prominent businessman, was asked what he considers the most important factor before investing in a country. He answered, "The first thing I will look at is the president. Is he a man of his word?" His point could not have been clearer: leadership matters.

Consider the other four "frontier" issues to which I just referred. If they are handled the right way, the payoff for Africa will be considerable. They are all potential roadblocks, but they also can be seen as opportunities. To do so requires strong, visionary and committed political leadership among policymakers and elected officials. And it requires steady advocacy, outreach, and action by everyone else, so that these issues and the complexities that surround them remain at the forefront of Africa's transformation agenda.

That's where the new African Transformation Leadership Panel comes into play.

In support of transformational leadership

Leadership is not confined to state houses or presidential offices. It is a collective action that can be demonstrated in many different ways, and take many different forms. The African Transformation Leadership Panel is one such form.

It will consist of eminent men and women who can contribute to balancing the narrative on Africa's opportunities and challenges, as well as focusing attention on the right issues at the right times. And to underscore the seriousness with which ACET is approaching this endeavor, ▶



Left to right: Aliko Dangote, CEO of Dangote Group; Paul Kagame, President of Rwanda; Nana Akufo-Addo, President of Ghana.

Ellen Johnson Sirleaf—the past president of Liberia, Nobel Peace Prize recipient and recent winner of the Ibrahim Prize for Achievement in African Leadership—will serve as the Panel’s first chair.

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I cannot imagine a more qualified person for this role. When she was sworn into office, President Sirleaf faced a shattered economy, dysfunctional institutions and destroyed infrastructure—the result of two decades of brutal conflict. Under her administration, Liberia tackled its massive debt, began to rebuild and strengthen its institutions, and attracted private investment, all the while pursuing transformation-oriented policies to lay a foundation for long-term recovery, not just immediate growth.

I have been fortunate enough to know President Sirleaf for many, many years, well before she made history as the first woman elected to lead a country in Africa. I consider her a friend, but more importantly I consider her a transformational leader who understands how to turn challenge into opportunity.

For example, she knows as well as any of us that Africa will only transform if there is a substantial commitment to improving gender relations and opportunities for women across the continent. So she is establishing the Ellen Johnson Sirleaf Presidential Center for Women and Development to support women as agents of change. The Transformation Leadership Panel will be able to work closely with the Sirleaf Center to combine knowledge and influence transformational policy. ▶

It is impossible to say for sure where this Panel will lead or how its efforts will impact Africa's transformation agenda. But it is imperative that we all do whatever we can to leverage African expertise to both foster and support transformational leaders—and to ensure the coming challenges are confronted with knowledge and vigor.

I am proud that ACET has played a small part over the past decade in laying the foundation for Africa's shift toward economic transformation. But now it's time to take another step forward, build on what we started, and continue to help lead Africa on its transformation journey.



Author **Dr. K.Y. Amoako**

President and Founder

African Center for
Economic Transformation

Contact us

**African Center for Economic
Transformation (ACET)**

Castle Road, Ridge PMB CT4,
Cantonments Accra, Ghana

T +233 (0) 302 210 240

E info@acetforafrica.org

Online



@acetforafrica



@fb.com/acetforafrica



acetforafrica



www.acetforafrica.org



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Economic Transformation
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