

# Evaluating the Role of Good Governance in Development

## Evidence from Mauritius

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### ABSTRACT

Good governance is an essential component of development. This key attribute has been paramount in the transformation of countries in different parts of the world. Good governance was crucial in the remarkable transformation of Southeast Asian countries such as South Korea. This research article employed conceptual research methodology. The research methods entailed a literature review and desktop analysis to obtain information from journals, articles, theses, and publications to arrive at an objective conclusion. The objective of the article is to provide a critical interrogation of the reasons for the poverty and underdevelopment in sub-Saharan Africa, as well as to unfurl the relationship between good governance and development. The article submits that proof from the Indian Ocean country of Mauritius demonstrates that there is hope for countries in sub-Saharan Africa. This means that development can be achieved if the lessons are followed of how this Indian Ocean country transformed itself from a backwater country at independence into a flourishing economy today. Finally, the article provides conclusions, a summary, and recommendations that contain the policy options available to countries in sub-Saharan Africa. The article recommends the idea of a “negotiated network” as a solution to the problem of poor governance that has continued to stifle economic growth and development in sub-Saharan Africa.

### INTRODUCTION

This article is divided into six parts. First, a succinct contextual background interrogates the possible reasons for sub-Saharan Africa’s slow growth rate compared

to other parts of the world. To provide a firm theoretical background, contextual and conceptual descriptions of development, governance, and good governance are provided. The article also provides an exposition on the link between poor governance and underdevelopment. The article then interrogates the intrinsic link between good governance and development. It also examines the role of good governance in invigorating development. The author draws from the development trajectory of Mauritius as a possible policy option for countries in sub-Saharan Africa. The article concludes by providing vital recommendations that could bolster economic transformation in the sub-region.

## **CONTEXTUAL BACKGROUND**

Sub-Saharan Africa is the poorest region in the world. According to the United Nations Conference on Trade and Development (UNCTAD 2012:16), 33 African countries are presently classified as least developed countries (Ukwandu 2015). The primary components of these countries include a lack of inclusive development, poverty, and underdevelopment. It also includes the absence of basic necessities of life such as water and electricity, as well as limited housing and employment opportunities (UNCTAD 2012:35). It is no coincidence that most African countries are at the bottom of the Human Development Index (HDI) (United Nations Development Programme [UNDP] 2012:12). Published annually, the HDI presents a summary of all the global HDIs. Pakistani economist, Mahbub ul Haq, and Indian economist, Amartya Sen, jointly developed the HDI in 1990 (UNDP 2012:12). The template helps countries, organisations, and people to comprehend whether a country is developed or undeveloped (Ukwandu 2015). The HDI is published as it is believed that capturing people's living conditions is the best way to measure development, as "people are the real wealth of a nation" (UNDP 1990). Development template data is captured by factors such as "life expectancy, education, literacy and per capita gross domestic product (GDP)" (UNDP 2012:12).

Despite the tremendous natural resources and endowments available in the sub-Saharan African region, it continues to "wallow in poverty and deprivation" (Ukwandu 2014). There is no consensus among researchers on the reasons for poverty and underdevelopment in Africa (Ukwandu 2014:127). Some scholars are of the view that the treacherous geography in sub-Saharan Africa is responsible for its endemic poverty (Ukwandu 2014:128; Toynbee 1961:28). Encapsulated in these narratives is the idea that sub-Saharan Africa's geography and climate lead to diseases, a weak economy, and a high mortality rate (Diamond 1997:43; Sachs 2001:15; Machiavelli 1987:25; Montesquieu 1989:32). Scholars in the development and governance nexus postulate that the high incidence of diseases such as

HIV/AIDS, malaria, and tuberculosis is related to poverty and underdevelopment in Africa (Bloom and Sachs 1998:211; Gallup and Sachs 2001:88).

The third reason indicated by researchers for Africa's poverty and underdevelopment postulates that slavery has derailed the region's productive ability and potential for centuries (Gemery and Hogendorn 1979:38; Manning 1981:508; Inikori 1992:500). This evocative legacy remains part of post-colonial Africa's narrative. The fourth dominant factor relates to the pernicious impact of colonialism on sub-Saharan Africa's developmental outcomes (Ukwandu 2014). Proponents of this narrative posit that colonialism led to poverty and underdevelopment in sub-Saharan Africa (Grosfoguel 2007:218; Fall 1993:22; Northrup 1988:44; Mehmet 1999:60).

The chief proponents of this narrative argue that "[w]e cannot hope to formulate an adequate development theory and policy for the majority of the world's population who suffer from underdevelopment without first learning how their past economies and societal history gave rise to their present underdevelopment" (Frank 1966:17). Rodney (1972:60) endorses this sentiment and advises that "in order to formulate a strategy and tactics for African emancipation and development, we have to understand how the present came into being and what trends are for the near future".

In conclusion, scholars point to the debilitating effects of globalisation on Africa. In essence, globalisation performs a dual role because it could lead to economic fragmentation and inclusiveness. In this case, globalisation is blamed for the dismal growth and development of the continent (Wallerstein 1974:68; Gutall 2007:528; Aksu and Camilleri 2002:29; Diehl 2001:41). Those who hold this view argue that globalisation has not benefited the poorest communities in sub-Saharan Africa. It has led to job losses, increased poverty, and unemployment (Ukwandu 2014:109).

## **CONCEPTUAL CLARIFICATIONS**

### **Development**

There is a deluge of expositions on the notion of development. It is imperative to elucidate on what development entails for communities who live in developing parts of the world such as South Africa (Ukwandu 2014:41). For people living in the leafy suburbs of Sydney, Australia, development could entail protecting animal rights and climate change. Conversely, for those living in poor informal settlements such as Alexandra, South Africa, development should and could connote the improvement of living standards. It could mean a struggle for the basic necessities of life such as food, shelter, a job, water, etc. (Ukwandu 2014:45). This

article endeavours to appraise the notion of development through the prisms of communities who live in poverty and underdevelopment in sub-Saharan Africa. Subsequently, it is crucial to distinguish the crux of development as it pertains to communities in sub-Saharan Africa. Rondinelli and Ruddle (cited in Rondinelli 1993:8) provide an apt elucidation of what development entails to the majority of Africans. While this definition is a bit dated, its main tenets constitute the essence of development for an ordinary African. The authors define development as follows: "The essence of development is the expansion of participation in economic activities through the creation of social and economic systems that draw larger numbers of people into processes of production, exchange and consumption, that involve greater numbers in entrepreneurship and employment, that increases levels of income for the poorest groups and reduce disparities between rich and poor so that a larger majority of people can obtain basic goods, save and invest and gain access to services necessary to enrich the quality of their lives. Development is a process of expanding the productive capacity of public and private organisations, large and small firms, in rural and urban regions of a country at a steady pace. It involves stimulating the use of potentially productive resources, adapting appropriate technologies and institutions to traditional as well as modern communities, transforming subsistence agricultural and rural sectors into employment- and income-generating elements of the national economy and providing social services and facilities that allow people not only to satisfy basic needs but also to develop their productive capacity and human potential" (cited in Rondinelli 1993:8).

Embedded in the definition is the central perception of development as making provision for basic human needs (Sen 1999:41). This means that all policies on development in the region should focus on enhancing opportunities for the poor, alleviating poverty, creating better health services, improving the quality of education, reducing infant mortality, etc. In summary, this can be referred to as "human development". This is contrary to the outdated conception of development outcomes grounded on GDP. The GDP-based evaluation of development is flawed. This is because authentic development that encompasses the goals enunciated by Seers (1969:12) still eludes many people in Africa. Despite huge improvements in the continent's economic growth figures during the past decade, employment opportunities in the region have been limited. This is due to the fact that a handful of politicians in power reap all the benefits of economic growth, without making any real difference in citizens' lives (Mills and Herbst 2012:65).

The World Bank (1991b) further enunciates this view with its much broader conceptualisation of the notion of development. The definition was broadened to incorporate other aspects such as education, health, the environment, and the social benefits of development (Ukwandu 2018). The World Bank (1991b) opines that economic development should pivot on a sustainable increase in

living standards. This encompasses material consumption, education, health, and environmental protection (World Bank 1991a); however, the World Bank is of the view that this narrow focus is insufficient. The World Bank provided a much more comprehensive and inclusive definition of development that included all segments of the population. This was encapsulated as follows: "Development in a broader sense is understood to include other important and related attributes as well, notably more equality of opportunity and political freedom and civil liberties. The overall goal of development is therefore to increase the economic, political and civil rights of all people across gender, ethnic groups, religion, races, regions and countries" (World Bank 1991a:31).

This brief overview of what development entails to the average person living in sub-Saharan Africa was provided in order to offer sufficient clarity on development.

## **Governance**

The notion of good governance is similar to what Weber (1964:156) defines as "a modern state with a compulsory association with a territorial base claiming the monopoly of the legitimate use of physical force" (Weber 1964:156). Albro (1970:45) clarifies that "such a state and its instruments of governance must be run by an impersonal bureaucratic staff, in the context of a legal-administrative order, regulated and limited by legislation and representative government". The history of state formation and its legacy of colonialism mean that most states in sub-Saharan Africa are not similar to the Weberian ideal. Developed countries of the world, especially those in Europe, however, share these common characteristics. It is vital that states in Africa emulate policies and systems that have worked in other parts of the world, while adjusting them to suit their countries' unique socio-economic and political milieus.

Weber (1965:155) opines that "states that desire to reduce poverty, unemployment and underdevelopment should focus on activities that promote economic growth and development". Weber (1965:155) explains: "Principally there are no mysterious incalculable forces that come into play, but rather one can, in principle, master all things by calculation. This means that the world is disenchanted. One need no longer have recourse to magical means in order to master or implore the spirits, as did the savage, for whom mysterious powers existed, technical means and competence perform the service".

In Weber's (1965) view, states in sub-Saharan Africa should enact and implement policies that would stimulate commerce and industry, which, in turn, will bolster economic growth and development. Weber (1965) emphasises the key role of governance in development. According to the Asian Development Bank (ADB 1999), "governance means the manner in which power is exercised in the

management of a country's economic and social resources for development". This definition accentuates the role that the state plays in mobilising both the private and public sectors in the quest for development. This is the path undertaken by newly developed countries of Southeast Asia. Canada Corps (2005:25) defines governance as "the way that decisions are made in towns, cities, provinces and countries".

Governance encapsulates how government, civil society, and the private sector work together in harmony towards well-defined goals of development. Furthermore, it illuminates how a specific government functions, and which department is in charge of what sector in the policy process and formulation. It also interrogates how the merits and demerits of political activity are distributed within a country. The World Bank (1992:70) defines governance as "the exercise of political power to manage a nation's affairs". In line with this, Dwivedi (2001:36) defines governance as a "system of values, policies and institutions by which a society manages its economic, political and social interaction within and among the state, civil society and private sector".

In turn, the UNDP (1997:21) defines governance as "the exercise of economic and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences".

The International Monetary Fund (IMF 2005:4) highlights the economic dimensions of governance by arguing that "governance is in two spheres: improving the management of public resources; and supporting the development and maintenance of a transparent and stable economic and regulatory environment conducive to efficient private sector activities". The Department for International Development (DFID 2001:11) highlights that "governance has to do with how the institutions, rules and systems of the state – the executive, legislature, judiciary and military – operate at central and local level and how the state relates to individual citizens, civil society and the private sector". The United States Agency for International Development (USAID 2005:1) reiterates this sentiment by stating that "governance relates to the ability of government to develop an efficient, effective and accountable public management process that is open to citizen participation and that strengthens rather than weakens a democratic system of government". Hyden, Court and Mearse (2004:16) regard governance as the formation and stewardship of formal and informal rules that regulate the public realm.

## **The concept of good governance**

The concept of good governance has become popular globally (Kabumba 2005:6). Even though the concept of good governance has become a common

and frequently utilised concept, it varies depending on the context (Kabumba 2005:6). In developing countries, establishing good governance has become a fundamental requirement before the granting of aids and loans by the developed world. This means that international aid agencies and donor countries demand accountability and good governance as a key condition for aid assistance (Santiso 2001:1). This approach was initiated after the World Bank diagnosed the persistent poverty and underdevelopment that characterise countries of sub-Saharan Africa as a governance crisis.

Consequently, the World Bank identified good public management as a prerequisite of socio-economic development (Azmat and Coghill 2005:625). According to Romeo (2003:89), complying with the requests of donors, the governments of developing countries are able to develop participatory local government in order to support overall good governance. Bilney (1994:17) defines good governance as “managing of a country’s economic and social resources in an effective manner that is accountable, equitable, open and transparent”. The UNDP (1997:9) views good governance in the same way as “democratic forms of governance”. These forms of government “depend on accountability, participation and transparency” (UNDP 1997:9). Other scholars state that good governance is defined as “the responsible and transparent management of resources of the public for the purposes of sustainable development” (Holtz 2000:10). The notion of good governance can be divided into two parts, namely political good governance and corporate good governance.

Political good governance refers to “ethical, effective and efficient management of public resources and affairs by democratically elected officials” (Kabumba 2005:9). This concept takes into consideration the idea that democratically elected leaders and appointed officials often mismanage the resources and affairs of a country. However, in the same sense, assuming that elections are fair and free, members of the public must blame themselves for wrong decisions (Kabumba 2005:10). Authoritarian governments can manage the affairs of a state in an efficient manner. Citizens find themselves in a dilemma where they have to choose between democratically elected leaders who mismanage the affairs and resources of the country and the self-imposed leaders who manage resources in an effective manner (Kabumba 2000).

Corporate good governance envisages the management of resources and affairs of an organisation in an effective, efficient, and ethical manner by individuals chosen in accordance with existing rules or laws (Kabumba 2005:10). This is most common in the non-state sectors. In this scenario, corporate good governance is applicable to the management of organisations. According to Ukwandu and Jarbandhan (2016:25), corporate governance has less to do with formal structures and institutions, and more to do with the overall system whereby private organisations and public organisations are controlled and directed. The principles

of openness, accountability, and integrity are often included in corporate governance (Ukwandu and Jarbandhan 2016:25).

According to Vu Thi (2012:17), six criteria of good governance exist in the public sector; namely:

- a political system that promotes input from all groups of civil society;
- credible and impartial electoral administration and active and informed citizenry;
- reinforced public sector administrative and legislative institutions;
- accountability, predictability, and transparency in decisions made by government;
- management of the public sector with macroeconomic conditions that are stable, resource mobilisation that is effective, and using resources in an efficient manner; and
- compliance with the rule of law in a manner that protects civil and personal liberties, gender equity, and ensures public safety and security with equal access to justice for all.

The system of good governance requires that the decision-making process and formulation of public policy be accountable and transparent (Naidoo 2011:32). It goes beyond the capacity of the public sector to make the rules that create a framework that is legitimate, effective, and efficient for the conduct of public policy (Naidoo 2011:32). It implies management of public affairs in a manner that is participatory, accountable, equitable, and transparent (Court 2006). Good governance entails participation that is effective in policymaking processes, the prevalence of an independent judiciary and rule of law, and institutional checks and balances through vertical and horizontal separation of power (Naidoo 2011:33). This discussion on the area of good governance as it relates to the public sector is very timely as the author is interrogating the link between good governance and development. This means that it is a type of good governance that is engineered through the good policies of the public sector institutions in Mauritius.

## **POOR GOVERNANCE AND UNDERDEVELOPMENT IN AFRICA**

This article argues that without good governance, it would be difficult for sub-Saharan Africa to navigate away from the treacherous waters of poverty and underdevelopment. Conversely, it accentuates the deleterious effects of poor governance, which include a poor investment climate, slow economic growth, and overall lack of development in the sub-Saharan region (Ukwandu 2014:300). The article also argues that good governance helps to create jobs and spurs economic



growth and development. This raises the following question: Why do coffee-producing countries in Africa, such as Ethiopia, the Ivory Coast, Uganda, and Kenya, fail to follow suit and replicate the example of Mauritius? The answer is simple: the inveterate interests (political, economic, cultural, religious, etc.) of the ruling elite and poor governance are sabotaging development efforts in the region.

Poor governance has impeded development efforts in sub-Saharan Africa. Poor governance has hampered the economic growth, job creation, poverty alleviation, and overall development in the region. Mozambique serves as an example of a sub-Saharan African country that is subject to poor governance. International financial institutions often refer to Mozambique as the “beacon of hope and reform” (Ukwandu 2014); however, in reality, it takes six months to register a company in the country (Emery and Spence 1999:9). During this six-month-period, various government departments will demand permits, licences, and mandatory fees that amount to almost 10% of a company’s budgeted costs (Emery and Spence 1999:9).

These corrupt practices characterise most government officials and institutions in the region. As such, it is almost impossible for small-scale business owners to obtain permits and start their businesses. Good governance will result in improved practices in the public sector of countries in sub-Saharan Africa. This means that the private sector would help reduce poverty and create jobs (Ukwandu 2014:300). Another illustration of poor governance in the region is evidenced in the high “transaction costs” that militate against entrepreneurial growth and development. It takes 153 days to register a company in Mozambique and 14 steps to complete the registration process. It takes three months and 16 processes to register a company in the Democratic Republic of the Congo (DRC) (Ukwandu 2014:300).

A more detailed study showed that in Nigeria, 15 different types of taxes are paid to the local, state, and federal governments to register and start a company (Ukwandu 2014). Starting a new business in Nigeria is bedevilled by the dual problem of inadequate infrastructure and electricity (Ukwandu 2018). In addition, business owners must provide their own security, water, and electricity (Ukwandu 2014:218). It takes almost a year for an office telephone line to be installed in Ghana, Nigeria, Cameroon, the DRC, Sierra Leone, and Liberia (Ukwandu 2014).

Layers of different taxes and sometimes deliberate double taxation by the local and national government discourage people from starting small-scale businesses in Cameroon. In Malawi, it is far better to operate without registering a company, as the government charges all business owners prohibitive fees and taxes (BBC News 2006). This article has shown that poor governance is the most profound impediment to development efforts in sub-Saharan Africa. Poor governance stunts agricultural growth and production, and hampers job creation and poverty alleviation as well (Ayithey 2005:133). For example, poor governance has led to

the widespread exploitation and manipulation of peasant farmers in most of sub-Saharan Africa. National governments, not market forces, determine the prices farmers in Africa receive for their produce (Ayittey 2005).

This creates an avenue for the flourishing of corruption and exploitation. According to Ayittey 2005:133), “[o]n average, between 1964/65 and 1984/85, the peasants of Gambia were robbed of 60 percent of the international price of their groundnuts. For 20 years the Jawara government ‘officially’ took, free of charge, 3 out of every 5 bags, leaving the peasants with a gross of 2. With deductions for subsistence credit fertilizer, seeds, etc., the peasant would end up with a net 1 bag out of five”.

## **GOOD GOVERNANCE AND DEVELOPMENT**

The essence of capitalism is entrenched in the mutual exchange of goods and services in a free-market economy. This has led to the unparalleled wealth and prosperity in developed countries (Oskarsson, Svensson and Öberg 2009:175). Good governance and subsequent transparent transaction costs invigorate economic growth and development globally. This is well documented in the work of Milgrom and Roberts (cited in Oskarsson *et al.* 2009:175). The authors explain this key relationship as follows: “The cost of deciding, planning, arranging and negotiating the actions to be taken and the terms of exchange when two or more parties do business; the costs of changing plans, renegotiating terms and resolving disputes as changing circumstances may require; and the costs of ensuring that parties perform as agreed. Transaction costs also include any losses resulting from inefficient group decisions, plans, arrangements or agreements; inefficient responses to changing circumstances; and imperfect enforcement of agreements” (Milgrom and Roberts cited in Oskarsson *et al.* 2009:175).

As Milgrom and Roberts (cited in Oskarsson *et al.* 2009:175) and Ukwandu (2014:50) indicate, the pace of economic growth and development, a subsequent reduction in poverty, and overall economic growth and development depend on the smooth functioning of, and trust in, the regulations that govern business activities in a country.

Many scholars have interrogated the intrinsic link between good governance and development, and more specifically the correlation between transaction costs in a country and its economic growth and development (Martinez and Dacin 1999:80). Martinez and Dacin (1999:80) state that transaction costs play a significant role in a country’s productivity, economic growth, and overall development. In cases where countries focus on stimulating economic growth and development, the transaction costs should ideally set out the terms of operation, rules, and regulations, as well as agreements between individuals and firms. The

aforementioned is of importance, as consistency and transparency help entrepreneurs and companies to plan accordingly. The high transaction costs of doing business in Africa are detrimental to businesses and companies and hamper the flow of commerce, as well as economic growth and development.

In order for the majority of people within a state to reap the benefits of capitalism, good governance must create an enabling environment. Ideally, it should energise entrepreneurial skills and the potential available in both the public and private sectors of the economy (North 1990:65). This means that sound government policies and programmes should encourage economic growth and development (Ukwandu 2018:50). Specifically, good governance helps in the production and exchange of goods and services in society. This is referred to as “transaction costs”. These encompass the costs of doing business in a country. They need to be significantly minimised for commerce and industry to be able to flourish (North 1990:65).

In essence, the transaction costs of producing a product like plastic include the cost of electricity to power the machines and the cost of labour, transport, etc. that would help make the product a finished article. All these costs determine the total or final cost of producing a particular product. Manufacturers conduct a final cost estimation and analysis before deciding to build a factory in a particular country. This means that every government that desires economic growth and development should endeavour to minimise the transaction costs of products in their countries so as to attract foreign direct investment. These investments will in the long run translate into more factories being built and more jobs being created. The government can help stimulate socio-economic growth and development by simplifying the transaction costs involved in setting up a business in their countries through good governance. This is the link between good governance and development.

North (1990) stresses the key role that good institutions or good governance plays in stimulating a country’s growth and development. Importantly, the aforementioned creates efficient and cheap transaction costs to bolster economic growth and development (North 1990:65). North (1990:65) clarifies the link as follows: “We have only to contrast the organisation of production in a Third World economy with that of an advanced industrial economy to be impressed by the consequences of poorly defined and ineffective property rights. Not only will the institutional framework result in high costs of transacting in the former, but also insecure property rights will result in using technologies that employ little capital and do not entail long-term agreements “... Moreover, such mundane problems as the inability to get spare parts or a two-year wait to get a telephone installed will necessitate a different organisation of production that an advanced country requires. A bribe sufficient to get quick delivery through the maze of import controls or get rapid telephone installation may exist, but the resultant

shadow transactions costs significantly alter relative prices and consequently the technology employed”.

Adam Smith (cited in Rodrick, Subramanian and Trebbi 2002) elucidates certain rules that favour commerce and industry. He is of the opinion that governments that seek to alleviate poverty and bolster economic growth and development should regard these rules as a top priority. Smith (cited in Rodrick *et al.* 2002) further explains: “Commerce and manufacturing can seldom flourish in any state which does not enjoy a regular administration of justice in which the people do not feel themselves secure in their possession of their property, in which the faith of contracts are not supported by law, and in which the authority of the state is not supposed to be regularly enforced in the payment of debts from all those who are able to pay. Commerce and manufacturing cannot flourish in any state in which there is not a certain degree of confidence in the justice of government”.

Sharma (2007:35) reiterates the important role of good governance in development. The author describes poor governance as a state of uncertainty, while good governance is characterised by certainty and clarity. Informal methods of conducting interpersonal exchanges or business, which are common among people in traditional societies, are unsuitable for complex, modern societies. Given the complex division of labour and specialised skills needed for economic growth and development within a globalisation-focused paradigm, good governance is crucial in the formulation and implementation of any development policy. The global economy is presently characterised by unparalleled globalisation. Most development experts agree that good governance plays an inextricable role in stimulating and solidifying any development initiative (Kaufmann, Kraay and Zoido-Lobaton 2000; Knack 2003:32; Hall and Jones 1999:20; Henisz 2000:15).

## **THE MAURITIAN EXAMPLE**

Arbache and Page (2008) interrogated the factors that influenced the growth and development of 44 countries in sub-Saharan Africa from 1975 to 2005. Their study found that Mauritius was an impressive example concerning the reduction of poverty, improvement in living standards, and overall development. The island nation was grouped alongside countries such as Botswana, South Africa, Cape Verde, Namibia, and the Seychelles. Arbache and Page’s (2008) study found that Mauritius performed better than oil-rich countries such as Equatorial Guinea, Nigeria, and Angola. It also fared better than resource-poor countries such as Burundi, the Central African Republic, and Chad (Arbache and Page 2008).

Why did Mauritius perform so well between 1975 and 2005? The study found that good governance energised the growth and development of the country. This

fact was affirmed by the president of Mauritius, Sir Anerood Jugnauth (quoted in Zafar 2011:1), who stated: "There is no miracle here; it is due simply to hard work, discipline, and will." It is no coincidence that Mauritius defied the predictions of James Meade, a Nobel Prize recipient in economics, who in 1961 famously predicted a dismal future for Mauritius (Ukwandu 2014).

Meade was of the view that "the absence of natural resources, as well as its treacherous climate and geography, makes the country vulnerable to the vicissitudes of inclement weather, price shocks and absence of any viable alternatives for job creation outside the sugar sector" (1961 cited in Subramanian and Roy 2003). Against all these odds, Mauritius overcame severe developmental obstacles to make significant strides in its fight against poverty and underdevelopment. This small island nation in the Indian Ocean with approximately 1.3 million people transformed itself from a poor sugar economy into a country with one of the highest per capita incomes in Africa (Ukwandu 2014). The growth trajectory of the country accentuates the remarkable role of good governance in development.

Zafar (2011) succinctly captured the remarkable development trajectory of Mauritius by explaining that the country has made huge improvements as a result of good governance. Zafar (2011) explained that GDP per capita rose exponentially between 1970 and 2010, from less than US\$500 to US\$6 000. Crucially, the country was able to transform the main drivers of its economy from sugar to textiles. It later broadened the important drivers of the economy into a service economy comprising manufacturing and other sectors. As in Botswana, it was simply based on good governance and leadership that was focused on poverty alleviation and development, unlike most of sub-Saharan Africa, where government policies are geared towards the interests of a few elites in power.

What is very illuminating about Zafar's (2011) study on the development and economic growth of Mauritius is that the growth has benefited the majority of its citizens and has led to significant improvement in the HDI of the country. This is in contrast to the economic growth without development witnessed in resource-rich countries in Africa such as Nigeria, Angola, the DRC, and Equatorial Guinea. Zafar (2011) noted that life expectancy at birth in Mauritius increased from 62 years in 1970 to 73 years in 2008. Furthermore, the infant mortality rate decreased from 64 per 1 000 in 1970 to 15 per 1 000 in 2008 (Ukwandu 2014).

Mauritians living below the level of poverty, which was below 40% in 1970, was less than 2% in 2010, and primary school enrolment was close to 90% in the 2000s. These statistics show that the transformation of Mauritius was underpinned by good governance. The facts exemplify that irrespective of natural endowments, any country that desires to make significant changes in its development trajectories must adopt the principle of good governance. Resource endowment is

not a guarantee that a country will be able to overcome the problems of poverty and unemployment. This can be seen in the disastrous economic performance of many resource-rich countries in Africa such as the DRC, Nigeria, Angola, etc. In all these cases, good governance is sacrosanct to development.

During a visit to South Africa, the former Brazilian president, Lula da Silva, remarked: “The biggest legacy of my presidency is not the programmes that took 30 million Brazilians out of absolute poverty and created 15 million jobs. It is the accountability of the public institutions and the real partnership with business, labour and civil society that brought hope to the people. We put the needs of the people first, not ours” (quoted in Naidoo 2012:15).

Kaufmann (2003:5) is of the opinion that “[g]overnance can be measured along six dimensions (voice and external accountability; political accountability and lack of violence, crime and terrorism; government effectiveness; lack of regulatory burden; rule of law; control of corruption”. In line with this, Lula da Silva highlighted good governance as one of the main legacies he strived to instil in Brazil. As such, poor governance and the endemic corruption in public institutions are some of the greatest catalysts for growth and development.

## **CONCLUSIONS AND RECOMMENDATIONS**

Cubitt (2014:3) postulates that evidence indicates that “governance is not working for the majority of African populations who encounter every day the realities and consequences of ineffective government in their states. These include a model of democracy where citizens observe, but do not receive, the benefits of economic growth; the prevalence of violence, or threat of violence, and the paucity of law and order in every corner of the continent; a lack of opportunity, the continuance of deep poverty, and the persistent marginalisation and disempowerment of large sections of the population”.

As previously mentioned, it is easy to blame external factors such as slavery, geography, and colonialism for the poverty and underdevelopment in sub-Saharan Africa. The fact is that poor governance has been a hindrance to socio-economic growth on the continent.

Mauritius was able to chart a new course in its developmental efforts because it has the kind of public governance that is fair, transparent, accountable, and responsible. There is good governance in its public institutions. Auriacombe (2019:117) posits that in order for governments in Africa to keep up with their changing role of promoting development in their societies, they need to adopt a type of public governance referred to as a “negotiated network”. This involves a collaborative effort between the public sector, civil society, and business in order to accelerate service delivery in public governance. This kind of collaboration is

crucial if Africa is to ensure service delivery and socio-economic development. This entails building consensus between all the stakeholders in society before a policy is designed and implemented in a country. This is necessary because all parts of government are interconnected and interwoven. It is counterproductive to design policies for people without their input or to design policies for the registration and regulation of business without input from the business community. It is clear from the literature as discussed above that governance failure is an impediment towards the eradication of poverty and underdevelopment in the region

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