Three Identity Principles at the Core of Comparative Economic Development Management: Lessons for Emerging African Nations

by

Louicius Michel

Burman University, Alberta, Canada

The aim of this article is to investigate the role of national or social identity at different stages of the industrialized nations' economic development models in order to draw some actionable lessons for emerging markets and developing African economies. The main assumption is that social identity is at the core of the economic management process industrialized nations implement with regard to achieving sustainable development goals. In order to detect actionable information with practical or methodological relevance, national identity was identified as the independent variable, and economic development as the dependent variable. Although the concept of identity is diversely defined in scholarly literature, it is commonly understood as the lens through which an individual perceives himself/herself or how a group of individuals perceive themselves, and their role in finding a way to cope with environmental challenges. Therefore, there is a double level of identity: at the individual level, and collectively as a nation. This identity is at the core of social reflexivity, which is used to envision, manage, and structure the institutional actions that are conducive to economic development. National and international development agencies have been experimenting with different models to achieve economic development in the emerging countries since the creation of the Bretton Woods Institutions at the end of the Second World War. The Millennium Development Goals (MDG) of the United Nations remain the last major multilateral management framework in a series of trial-and-errors over the last sixty years. Using an exploratory and descriptive approach, this article systematically compares the core of the economic development models of the Western nations and that of the newly emerging countries. The results of this analysis show that to achieve their economic development goals, industrialized and emerging countries built the managerial core of their development models on three major foundations: a political system that stems from their own idiosyncrasies, a belief system that comes from their own history and traditions, and a unique but non-exclusive mode of production and resource allocation. These three pillars form a tryptic management principle of sustainable economic development ready for adaptation and adoption.

1. Introduction

Comparative analyses of economic development approaches show that they rely on latent but specific management principles (Michel, 2000). These principles form the underlying core of multiple national and international reports published by many interested agencies. However, those multilateral and bilateral reports rarely ever exhibit these latent management principles in their comparative analyses. For example, the newest World Bank's economic outlook states, "Sub-Saharan Africa has been ravaged by the COVID-19 pandemic this year, likely leading to the sharpest contraction in activity on record. In addition to its heavy toll on health and safety, efforts to contain the spread of the virus—such as travel restrictions, border closures, and national lockdowns—have disrupted the functioning of domestic economies" (2020). Although this outlook is moderated by some anticipated recovery in the main macroeconomic variables for 2021, it does show that the expected growth rate will be very low and implicitly points to the fact that the region could remain vulnerable to a deterioration of the terms of trade, among other things. However, the more fundamental management issue the report does not capture is the fact that economic development is a historical outcome that feeds on a deeper, idiosyncratic and conscious incremental process of social construction.

The pre-Covid-19 era has been marked by a flourishing period of massive outsourcing movements that started with the opening of the Chinese market in the early 1980s, and peaked with the implosion of the Soviet Union in the early 1990s. Because of the apparent prosperity that came along with it, that outsourcing trend also seemed to have marked a moment of triumph for the market economy model. Some analysts hypothesised that time to have coincided with a peak in the Kondratieff wave model. It was a moment of glory for liberal capitalism that used concepts such as globalization and the global village to capture the apparent triumph of the worldwide free interactions of market forces, in directing the production and distribution of wealth. Thus, while Statism was vilified and believed to have been subdued, globalization was hailed as a new paradigm with enough power to express the newly found market efficiency. To further this notion, political freedom was credited with the ability to generate economic development for all Nation- States. The lauding of globalization also omitted to capture the foundational management principles that form the core of national economy development.

In that context, the concept of economic development itself was not clearly defined. It did not mean the same thing for all, as in practice, many parts of the world such as sub-Saharan Africa do not appear to have benefited from its outcomes in terms of economic growth and institutional development. For Husted and Melvin (2013), "economic development refers to the achievement of a quality of life for the average citizen of a country that is comparable to that enjoyed by the average citizen of a country with a modern economy, such as the United States..." As far as comparative economic management is concerned, this definition is historically blind and conceptually loose. Its blindness comes from the fact that the construction of the development model set for imitation was predicated on free labour and predation. Its conceptual weakness is because the accumulation of wealth does not measure levels of happiness or quality of life of the average citizen in the same way in all countries.

Economic development is neither culturally neutral nor managerially universal. In fact, it is embedded in such cultural factors as a nation's history, social structure and language, perspectives on present and future life, communication and religion, values and attitudes, among other components. According to Diop (1991), these factors form the social identity of a community. Over time, though, community-based religious beliefs have become a dominant cultural vehicle and the most external expressions of identity that underlie sustainable economic management.

To understand the use of religious beliefs as a vector of identity influencing the management of economic development, one must refer to one of the earliest formal studies on this relationship in the writings of Weber (1930). In his book "The Protestant Ethic and the Spirit of Capitalism," he compared the economic growth rates of European Catholic and Protestant cities. One of the major conclusions of Weber's analysis was that the economic growth rate in Protestant cities was almost twice as large as that of Catholic cities. In other words, Weber's observation suggests that capitalism thrives better in Protestant culture.

Furthermore, the discussion connects two key variables: religious beliefs and economic development within nineteenth and early twentieth century Europe. The basic understanding of Weber's observation raises at least two key questions. The first question is whether Catholicism and Protestantism are historically or epistemologically that different in their approaches to economic management or accumulation. The second is whether this Weberian civic macroeconomic model has enough managerial power to help explain the relationship between religious beliefs and the management of economic development in other parts of the world at different times.

Since Protestantism and Catholicism are essentially two strains of the same Christianity, the managerial power of Weber's comparative model seems to be limited when it comes to analyzing the role of religious beliefs on economic development in different Nation-States at different times. However, the use of historical Christianity by western Nation-States to achieve economic prosperity for themselves

and generate systemic impoverishment and chaos for others is undeniable. This zero-sum game of systemic construction and destruction was accomplished through permanent colonialism and slavery. As such, cultural factors such as religion have been used to maintain that historic zero-sum game consisting of prospering the Western Nation-States while systematically looting the African Nation-States (James, 2010; Rodney, 2018).

Because globalization and Covid-19 do not influence its fabric, identity has the potential to help reshape the vision and strategies of economic development by reclassifying endogenous and exogenous factors as either strengths or threats through a new approach to environmental analysis. In comparison, this paper is calling for a new post covid-19 economic management strategy for emerging economies, particularly those in sub-Saharan Africa, whereby governance is redefined by the primarily triad endogenous core that forms its identity: a common spirituality, a specific social organisation, and an idiosyncratic political system. In other words, after reflecting on the core of the construction processes of the industrialized nations, this paper highlights the foundational role that national or social identity must play in reconstructing the post covid-19 sub-Saharan Africa in a multipolar world. Therefore, its structure comprises a summary definition of identity, a general discussion on comparative management of economic development both in the Western Nation-States and in their client Nation-States, the role of identity in managing economic development, and an anticipation of the impact an identity awakening may have on strategic economic development in a post covid-19 health crisis world.

2. The Nature and Usage of Identity

There is neither a unique nor a straightforward meaning of the concept of "identity" in scholarly literature. It answers the question of whom an individual is or what a group of individuals can be understood to be. Hence there is a double level of understanding the nature and meaning of identity: an individual level and a collective level. According to Sand (2009), "... identity is a lens through which the individual makes sense of the world, and is in fact, a condition of subjecthood, national identity is a modern lens through which the State makes sense of diverse population, making it feel it is a homogeneous and unique historical subject."

The current modern Nation-State was born in Europe about four hundred years ago out of the ashes of the Roman Empire. Its structuration process was very difficult due to tribal infighting in a series of bloody power struggles among fifteen tribes all over the western part of the continent. A European identity was necessary to support the institutional foundation of the modern State, which is indeed a social organization. The construction of a European identity was very difficult. Some remnants of the Greco-Roman traditions, which resulted from systematic looting of African traditions by the Greeks and then the Romans², were to be adopted on a modified basis (Rodney, 2018; James, 2010). The Romans first created the main European religion, Christianity, as an ideology of conquest and dominance. Later, from the Council of Nicea and on, the Roman kings used it as a cultural tool aimed at consolidating the empire.

The creation of Islam dated from the early 8th century. It was a later cultural product that combined elements of both Christianity and Judaism. The Khazars put the current version of Judaism in place after their conversion by the middle of the 8th century for the same purpose of social or cultural construction (Koestler, 1976). In short, the three religions have nothing to do with Abraham and resulted from the necessity of different historical moments when society needed to invent itself for the purpose of economic development.

According to Allen (2011), "Social identity refers to the ways in which individuals and collectivities are distinguished in their social relations with other individuals and collectivities." However, among the components of culture, religion and languages form the major permanent markers of identity. (Diop, 1991) proposes three fundamental components of social identity, which are history, language, and psychology. History is the cement that durably connects and unifies the idiosyncratic norms, values,

symbols, beliefs, and level/form of social interactions. The implication is that social construction follows a historical timeline that is worth maintaining for the sake of social management, stability, and its subsequent sustainable prosperity. He is stating the obvious in that a disturbance of this timeline generates historic amnesia and compromises future development. The second component, language, is no less important as it is a codifier and transmitter of social values along the historical timeline and social management processes. A good example of this foundational role of languages is the use of the English language to codify, maintain, and transmit Britain's past and present traditions. The psychological component refers to the extent to which a community is invariably well-connected to its origins or past, in order to sovereignly structure its present and progress towards its future while problematizing all accidents and positively interacting with others.

Sand (2009) follows a similar historic timeline to define national identity. One of his observations is that the word "people" in many languages has been used throughout history to identify all sorts of groups-religious, ethnic, and various social categories. The Oxford English dictionary provides a relatively similar definition of identity, which is seen as "a sense of nation as a cohesive whole, as represented by the maintenance of distinctive traditions, culture, linguistic or political features...".

Willet (2013) positions identity in the realm of a deeply sedimented social and individual phenomenology that further clarifies Sand's concepts of private and collective filters. He affirms, "Identity is not a free floating concept that can be used or ignored by governance. Instead, it is a phenomenological entity that goes deep within how individuals and communities understand their lives. It is a layered and textured fabric encapsulated in processes of time, and affective assemblage whereby some symbols, songs and stories have the power to draw up deep emotional responses, and others, simply do not."

The phenomenology of identity seems to stem from grounded and idiosyncratic values that set apart an individual or a group of individuals in a particular society. This process is broken down in Lawler's trilogy where he distinguishes three main levels of identity; namely personal identity, felt or ego identity, and collective identity (Lawler, 2014). Personal identity refers to the unique characteristics of individuals as they interact with one another. It is relatively easy to observe and measure. In contrast, ego or felt identity results from a conscious and an unconscious self-assessment process. It refers to the unique way a person thinks about himself/herself and develops into an inner perception of their own personality traits, mission, or purpose. Although it is hard to observe and measure, felt identity may become the defining foundation of a person's social interactions. Finally, social identity refers to those inner and outer characteristics individuals develop as a result of their membership in a particular society. Its scope covers a broad range of issues such as race, gender, nation, age, religion, sexuality, physical ability, etc. (Jans, et al. 2019; Smaldino 2019; Leary & Tangney 2003).

So far, this conceptual discussion seems to have treated culture and social identity as two identical entities. In spite of the fact that the two are closely related, it may be important to see culture on the basis of the comparison of one society to another as each would distinguish itself by those unique and shared collective "values, beliefs, behaviors, customs, and attitudes", which set it apart. These components establish the basis on which one society can distinguish itself from another, whereas the social identity of an individual depends on his/her membership within a particular society. Since this discussion is more macro than micro, this conceptual distinction is not very significant.

In summary, a cultural system is comprised of five fundamental components: language, social structure, communication, religion, values, and attitudes (Griffin & Pustay, 2010). These elements are interrelated and are usually combined to create the distinctive features of national or local communities. Depending on the history and religious systems of each community, these components can be activated across two different dimensions, according to Hofstede's cultural dimensions theory (Hofstede, G. H.; G. J. Hofstede; M. Minkov, 2010). That is, these cultural components would inspire different forms of attitudes or worldviews depending on the individualistic or collectivistic orientation of a society. For example, the

comparison between Protestant and Catholic cities in the Weberian model was due, in part, to the individualistic nature of the Protestant teachings as opposed to the collectivistic and subservient nature of Catholic values. This is an illustration of the importance of religion in shaping and propagating the components of culture along the historical timeline of social evolution. These idiosyncratic characteristics are necessary for both the emergence of unique economic management systems within respective nations and the development of a new framework of mutually beneficial intercultural cooperation.

3. Economic Development

As surprising as it may sound, economic development remains undefined within both academia and the institutions created after the Second World War for this very purpose. As quoted in the introduction and expanded upon here, Husted and Melvin (2013) defines it as "the achievement of a quality of life for the average citizen of a country that is comparable to that enjoyed by the average citizen of a country with a modern economy, such as the United States. Economic development is characterized by such things as high level of consumption, broad-based educational achievement, adequate housing, and access to high-quality health care."

This academic definition poses at least five main difficulties. First, it is vague. The second difficulty is that comparison with either European or American economies is historically inconsistent because those economies benefited from free production from slavery and the predation of colonization. A third difficulty comes from the 1% problem in the US economy (Stiglitz, 2012). This means that GDP per capita, as an indicator of quality of life of the average citizen in that country is misleading as 1% of the population own 42% of the nation's wealth and 16% of the population owns more than 90% of the National Income. The fourth difficulty is that the average US citizen does not have access to those quality of life indicators contained in the definition. Finally, high levels of consumption may not be such a good indicator of standard of living.

Analyzing the root causes of the Second World War, postwar European Nation-States concluded that unfair economic practices of themselves were the main reason why they embarked on such an unprecedented destructive path (Griffin, 2010). As a way to prevent the resurgence of this kind of socioeconomic disaster, among other things, they undertook a series of institutional arrangements aiming at producing and distributing wealth on a more equitable basis. The Bretton Woods conference of 1946 was organized with this double goal in mind. Thus, the two institutions created at that conference, the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) better known as the World Bank, had a mission to achieve these goals not only in Europe, but, later, in the whole world.

By no coincidence, Western European Nation-States and the United States of America respectively assure control of these two Bretton Woods institutions. This power structure could be rightly interpreted as an act of submission of other countries' economic development agendas to the industrialized Nation-States that are not seeking to transition from poverty to economic prosperity. That is why many managers, like myself, who have firsthand experience with non-industrialized Nation-States, can affirm that their idiosyncrasies are not adequately factored into the public policies of these two institutions. Furthermore, economists differ on the extent to which they have achieved their stated development goals and fulfilled their missions. In this regard, one general conclusion from many countries in transition is that the Bretton Woods institutions have outlived their usefulness.

However, after its speedy reconstruction in the 1950s, Western European Nation-States started their own movement of cooperation that evolved from a free trade arrangement to a quasi-integration of political and socioeconomic responsibilities known as the European Union. At the same time, the marauding of

African resources continued at a voracious pace. Most of the newly independent states on the continent of Africa experienced no different a fate than Hitler's hen, narrated in *The Zambian Observer* as follows:

"Once Adolf Hitler, came to his management meeting with a live chicken. He started to pluck its feathers one by one, off. The chicken clucked and quacked in deep pain, blood oozing from its pores. It gave out heartbreaking cries but Hitler continued, without remorse, plucking feather after feather until the chicken was completely (dressed) naked. After that, he threw the chicken on the ground and from his pockets, took out some chicken feed and started to throw it at the poor creature. The chicken quickly started eating and as Hitler paced around, the chicken followed him and later sat at his feet feeding from his hand. Hitler then told members of his party; "This chicken represents the People, you must disempower them, brutalise them, beat them up and leave them". "If you do this and then give them peanuts when they are in that helpless and desperate situation, they will blindly follow you for the rest of their life". "They will think you are a Hero forever. They will forget that, it is you who brought them to that sad situation in the first place." ""

This analogy may appear too strong in the context of Nation-States, but this has been the fate of French colonies in Africa to this day. Following the Nazis' example, France created a monkey currency for its colonies in exchange for up to 85% of those countries export revenues. That financial arrangement allowed France free access to those countries' raw materials and the possession of their exports revenue. In addition, all of the cultural components of these nations were subjugated to France's power, which ensured their progressive suppression (Meredith, 2019; Rodney, 2018).

In the meantime, the international institutions and governments in Europe and America implemented two frameworks or active suppression processes of economic development in Africa, respectively themed multilateral cooperation and bilateral cooperation. Policy analysis on the African continent and in Haiti, among other places, reveals that these processes are the main exogenous factors that inhibit economic development. Because they are fundamentally tools of suppression and looting, they are usually designed to be permanent, as opposed to being temporary support measures integrated with a systematic planning timeline to achieve their goals and end their existence. In principle, good cooperation programs are managed like a good project: they plan their own end. In actuality, comparative analysis reveals that they operate as a school from which an attendee never graduates. As such, the current post World War II bilateral and multilateral cooperation programs are development inhibitors that tend to nurture both dependency and corruption (Moyo, 2009).

On the one hand, the widely used indicators of economic development do not allow for an optimistic outlook in the near future, twenty years after the adoption of the Millennium Development Goals (MDGs). Table 1 and Table 2 from the World Bank substantiate this comment:⁵

Table 1. Sub-Saharan Africa Forecast Summary

(Real GDP growth at market prices in percent, unless indicated otherwise)

							Percentage point differences from January 2020 projections			
	2017	2018	2019e	2020f	2021f		2020f 2021f			
EMDE SSA, GDP ¹	2.6	2.6	2.2	-2.8	3.1		-5.8	0.0		
GDP per capita (U.S. dollars)	-0.1	-0.1	-0.4	-5.3	0.5		-5.6	0.0		
(Average including countries with full national accounts and balance of payments data only) ²										
EMDE SSA, GDP ^{2,3}	2.6	2.5	2.2	-2.8	3.1		-5.7	0.0		
PPP GDP	2.8	2.7	2.5	-2.4	3.2		-5.5	-0.1		
Private consumption	2.7	3.3	1.3	-1.7	2.7		-4.3	-0.1		
Public consumption	0.7	4.5	2.5	3.6	1.9		1.2	-0.6		
Fixed investment	7.9	8.7	3.3	-5.0	4.1		-8.1	0.0		
Exports, GNFS ⁴	6.2	2.7	3.3	-10.7	4.2		-12.2	1.6		
Imports, GNFS ⁴	1.4	8.4	3.1	-7.2	3.5		-9.7	0.4		
Net exports, contribution to growth	1.4	-1.6	0.1	-1.1	0.2		-0.8	0.3		
Memo items: GDP										
SSA excluding Nigeria, South Africa, and Angola	4.8	4.4	3.7	-0.3	4.1		-4.9	-0.6		
Oil exporters ⁵	1.4	1.3	1.7	-3.0	1.7		-5.3	-0.6		
CFA countries ⁶	3.5	4.0	4.1	-0.1	4.1		-5.2	-1.1		
CEMAC	0.1	1.4	1.7	-2.7	1.2		-6.0	-2.2		
WAEMU	6.5	6.3	6.1	1.9	6.3		-4.5	-0.2		
SSA3	1.0	1.0	1.0	-5.0	2.3		-6.5	0.5		
Nigeria	0.8	1.9	2.2	-3.2	1.7		-5.3	-0.4		
South Africa	1.4	0.8	0.2	-7.1	2.9		-8.0	1.6		
Angola	-0.1	-2.0	-0.9	-4.0	3.1		-5.5	0.7		

Source: World Bank.

Note: e = estimate; f = forecast. EMDE = emerging market and developing economies. World Bank forecasts are frequently updated based on new information and changing (global) circumstances. Consequently, projections presented here may differ from those contained in other Bank documents, even if basic assessments of countries' prospects do not differ at any given moment in time.

- 1. GDP and expenditure components are measured in 2010 prices and market exchange rates.
- 2. Subregion aggregate excludes Central African Republic, Eritrea, Guinea, São Tomé and Príncipe, Somalia, and South Sudan, for which data limitations prevent the forecasting of GDP components.
- 3. Subregion growth rates may differ from the most recent edition of Africa's Pulse (https://www.worldbank.org/en/region/afr/publication/africas-pulse) due to data revisions and the inclusion of the Central African Republic and São Tomé and Príncipe in the subregion aggregate of that publication.
- 4. Exports and imports of goods and non-factor services (GNFS).
- 5. Includes Angola, Cameroon, Chad, Republic of Congo, Equatorial Guinea, Gabon, Ghana, Nigeria, South Sudan and Sudan.
- 6. Includes Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Republic of Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea-Bissau, Mali, Niger, Senegal, and Togo.

Table 2. Sub-Saharan Africa Country Forecasts¹
(Real GDP growth at market prices in percent, unless indicated otherwise)

Percentage point differences from January 2020 projections

							projections		
	2017	2018	2019e	2020f	2021f		2020f	2021f	
Angola	-0.1	-2.0	-0.9	-4.0	3.1		-5.5	0.7	
Benin	5.8	6.7	6.9	3.2	6.0		-3.5	-0.7	
Botswana	2.9	4.5	3.5	-9.1	4.2		-13.2	0.0	
Burkina Faso	6.3	6.8	5.7	2.0	5.8		-4.0	-0.2	
Burundi	0.5	1.6	1.8	1.0	2.3		-1.0	0.2	
Central African Republic ²	4.5	3.7	3.1	0.8	3.5		-4.1	-1.4	
Cabo Verde	3.7	5.1	5.5	-5.5	5.0		-10.5	0.0	
Cameroon	3.5	4.1	3.9	-0.2	3.4		-4.4	-0.9	
Chad	-3.0	2.6	3.2	-0.2	4.7		-5.7	-0.1	
Comoros	3.8	3.4	1.9	-1.4	3.2		-6.2	-0.5	
Congo, Dem. Rep.	3.7	5.8	4.4	-2.2	3.5		-6.1	0.1	
Congo, Rep.	-1.8	1.6	-0.9	-6.2	-1.1		-10.8	-3.0	
Côte d'Ivoire	7.4	6.8	6.9	2.7	8.7		-4.3	1.6	
Equatorial Guinea	-4.7	-6.1	-6.2	-8.4	-1.6		-6.1	-2.6	
Eritrea ²	-10.0	13.0	3.7	-0.7	5.7		-4.2	1.7	
Eswatini	2.0	2.4	1.3	-2.8	2.7		-5.4	0.2	
Ethiopia ³	10.0	7.9	9.0	3.2	3.6		-3.1	-2.8	
Gabon	0.5	0.8	3.3	-3.2	-2.6		-6.2	-5.8	
Gambia, The	4.8	6.6	6.0	2.5	6.5		-3.8	0.7	
Ghana	8.1	6.3	6.5	1.5	3.4		-5.3	-1.8	
Guinea	10.3	6.2	5.6	2.1	7.9		-3.9	1.9	
Guinea-Bissau	5.9	3.8	4.7	-1.6	3.1		-6.5	-1.9	
Kenya	4.8	6.3	5.4	1.5	5.2		-4.5	-0.6	
Lesotho	-0.4	1.5	1.4	-5.1	5.5		-5.8	3.4	
Liberia	2.5	1.2	-2.3	-2.6	4.0		-4.0	0.6	
Madagascar	3.9	4.6	4.8	-1.2	4.0		-6.5	-0.4	
Malawi	4.0	3.5	4.4	2.0	3.5		-2.8	-1.7	
Mali	5.3	4.7	5.1	0.9	4.0		-4.1	-0.9	
Mauritania	3.0	3.6	6.3	-2.0	4.2		-7.7	-1.6	
Mauritius	3.8	3.7	3.6	-6.8	6.4		-10.7	2.4	

Mozambique	3.7	3.4	2.2	1.3	3.6	-2.4	-0.6
Namibia	-0.3	0.7	-1.1	-4.8	3.0	-5.7	1.3
Niger	4.9	6.5	6.3	1.0	8.1	-5.0	2.5
Nigeria	0.8	1.9	2.2	-3.2	1.7	-5.3	-0.4
Rwanda	6.1	8.6	9.4	2.0	6.9	-6.1	-1.1
São Tomé and Príncipe ²	3.9	2.7	2.4	-9.5	6.1	-12.5	2.6
Senegal	7.4	6.4	5.3	1.3	4.0	-5.5	-3.0
Seychelles	4.3	4.1	3.8	-11.1	6.3	-14.4	3.0
Sierra Leone	3.8	3.5	5.1	-2.3	4.0	-7.2	-0.9
South Africa	1.4	0.8	0.2	-7.1	2.9	-8.0	1.6
Sudan	4.3	-2.3	-2.6	-4.0	0.5	-2.6	1.1
South Sudan ^{2,3}	-6.9	-3.5	3.2	-4.3	-23.6	-14.6	-29.0
Tanzania	6.8	5.4	5.8	2.5	5.5	-3.3	-0.6
Togo	4.4	4.9	5.3	1.0	4.0	-4.5	-1.5
Uganda ³	3.9	6.2	6.5	3.3	3.7	-3.2	-2.2
Zambia	3.4	4.0	1.7	-0.8	2.4	-3.4	-0.2
Zimbabwe	4.7	3.5	-8.1	-10.0	2.9	-12.7	0.4

Source: World Bank.

Note: e = estimate; f = forecast. World Bank forecasts are frequently updated based on new information and changing (global) circumstances. Consequently, projections presented here may differ from those contained in other Bank documents, even if basic assessments of countries' prospects do not significantly differ at any given moment in time.

- 1. GDP and expenditure components are measured in 2010 prices and market exchange rates.
- 2. Percentage point differences are relative to the World Bank's October 2019 forecast. The January 2020 Global Economic Prospects did not include forecasts for Central African Republic, Eritrea, São Tomé and Príncipe, and South Sudan.
- 3. Fiscal-year based numbers.

In spite of the imprecisions of this approximation of economic development, the predominant public discourse continues to promote a conception of economic development as a process that transforms low-income economies into modern industrial economies. In a relatively propagandistic style, the Economic Growth Model is used indistinctly with the economic development proposals. The Economic Growth Model is "a model that explains growth rates in real GDP per Capita over the long run" (Hubbard, O'Brien, Serletis, & Childs, 2018). Accordingly, national governments are expected to transform the demands of their respective communities into contextualized policies that address human development and labour productivity. In other words, the design of the respective national public policies is to comprise such key components as technological change, better machinery and equipment, increases in human capital, and better means of organizing and managing production. In addition, they need to create a business-friendly environment that promotes market freedom, an entrepreneurship ecosystem, and the rule of law.

On the other hand, endogenous factors such as direct government support and State intervention are literally prohibited in the dependant countries while being massively used by the more powerful nations. The financial crisis of 2007–2009 and the current Covid-19 crisis have literally dismantled free market principles in North America and in Europe. Institutions such as the IMF and the World Bank are silent on their structural adjustments programs for the richer countries this time around. This apparent

complicit silence offers an unequivocal opportunity for emerging nations' endogenous strategic management of their economies.

4. The Impact of Identity on Economic Development

Atwil (2011) provides a unique historical perspective about the processes followed by the Romans to ensure a smooth paradigm shift and maintain their dominance of the world. Starting from the destruction of Jerusalem in 73 C.E., they began the lengthy creation process of a new religion that combined elements of the ancient Egyptian Mystery System, Zoroastrianism, messianic Judaism, and the official religion the Roman emperor. This new religion was formally organized later under the direct guidance of Emperor Constantine in 325 C.E. into what several analysts specifically call Nicean Christianity. Nicean is the adjective form of Nicea where the Emperor gathered his bishops in the year 325 to define the creed of Christianity and the status of its three gods that Christians worship to this day. The uttermost purpose of the Nicean council was the creation of an ideological unity that would ensure the immovability of the empire. This was accomplished with unanticipated success over the last 650 years.

The Nation-States that emerged in Europe and later in America out of the ashes of the Roman Empire have continued to utilize some form of adapted Christianity to mold their social identity. Their subsequent worldview, from either a Catholic or a Protestant perspective, reflected the same original purpose, which is to ensure national cohesion and dominion over other non-European Nation-States. Their common structural or institutional foundation is called the Modern State, whose main coordination mechanism is the centralization of violence. Legitimation is presented as the nominal medium of its relation to its citizens. Therefore, this very brief historical recollection is to remind us all that religious beliefs play a crucial role in both social and personal identity. Thus, in the beginning, religious philosophy or doctrines incubated culture and fostered identity.

While there are numerous elements of identity, it would be impossible to explore all of them. Therefore, this paper focuses on five elements of social identity: history, the extent to which a society is mixed, social structures and institutions, religion, and values and beliefs that influence the different factors of economic development. Bond, McCrown, & Brown (2003) examine the relationship between economic development and identity and suggest that "within the strategies and discourses of economic development, historic national characteristics are reconciled with contemporary needs and aspirations through four processes: reiteration, recapture, reinterpretation and repudiation." Reiteration means "a process by which a historically positive feature of national identity is mobilized for economic purposes within a contemporary context." The process of recapture refers to "historically positive features of national identity now regarded as problematic." A reinterpretation is "the presentation of historically negative features of identity as contemporary advantages or, at the very least, as largely neutral."

From an endogenous point of view, social norms are relatively difficult to change. Their institutional differences can become either strengths or weakness within an endogenous economic development strategy at any stage of the process. As long as their alignments are not distracted by exogenous factors such as foreign intervention through multilateral or bilateral cooperation, they can be useful to national managers.

Many African societies are great examples of the way history has affected economic development. As stated earlier, the historically rich and stable Nation-States on the continent entered a long period of systematic destabilisation under the Islamic then Christian practices of slavery and colonization. Two foreign religions of conquest brought such a lasting psychological and institutional instability that many Africans countries today are still unable to mobilize their cultural and unique identities to self-organize and endogenously develop their economies. In addition to the prevailing Stockholm Syndrome⁶ in many States,

one of the internal inhibitors of development is the division along the lines of the two main religious ideologies of conquest, namely Christianity and Islam. My deduction from that long history of colonization and slavery is that a nation can never implement a successful development strategy without mobilizing its own ancestral religious values at the exclusion of the imported ones.

In Africa, an atmosphere of distrust prevents African firms from establishing corporate forms of business and a pooling of finance and managerial skills (Kennedy, 1988). This prevents African firms from potentially developing the scope of their operations and becoming sufficiently competitive to create a challenge to foreign companies. This distrust also shutters one of the main avenues of business expansion. As a result, entrepreneurs have limited access to adequate human resources and are forced to hire less qualified supervisors. In such a case, the supervisors will be too scared and unable to cheat the entrepreneurs; however, they will also be much less successful in carrying out their duties. Unless entrepreneurs are willing to delegate authority, there will be a limit to their abilities. Colonization in Africa also affected the uneven distribution of education, which is an important element of economic development. In contrast, the US benefited economically from British rule through the extensive use of slavery. The imported human capital was a vital resource that sped up America's economic development while depriving Africa of its human capital.

5. Three Comparative Management Principles for Emerging Economies

In a previous study, Michel (2013) studied the ontology of the modern Indo-European Nation-State and concluded that it was rooted in a specific mode of social organization that centralized violence, depersonalized the exercise of power, and problematized accidents. However, at the core of that new social organization, the modern State was a sophisticated and layered system of values learned and adapted over time. Several authors suggest that those values were imported from African traditions (Diop, 1991; Atwil, 2009; Martin, 2019; Burgis, 2015; Rodney, 2018). The European identity originates in that hybrid value system that ensured an idiosyncratic social structuration, a distinct system of production and resource allocation, as well as a particular political system capable of coordinating multifarious social actions.

This paper has summarized the core of public policy management in regards to economic development in western nations compared to emerging countries, in particular the emerging economies of Sub-Saharan Africa. Its comparative process is based on the main assumption that social identity is at the core of the management process that industrialized nations implemented with regard to achieving their sustainable development goals. Further, its line of argumentation introduced the exception that predatory cooperation and slavery have tromped the real cost of economic development in those industrialized nations. However, documentation regarding the historical formation of Islam and its use as an ideology of conquest and destruction all over Africa is not presented. This choice will hopefully help to invite a reevaluation of Islamic ideology on African development. Islam and Christianity are very revealing in terms of a pathway to economic development and a prospective on post Covid-19 globalization.⁷

At the core of the post Covid-19 African institutional project, that is, the building of the new African Nation-State, will be three major foundational components summarized in the following paragraphs as lessons learned from industrialized Nation-States. These lessons are themed as three core economic management principles that are ready for adaptation and adoption. The construction process of this project will inevitably contribute to the creation of a multipolar world where international aid becomes unnecessary.

The first lesson is that, at the early stage of their economic development, wealthy Nation-States developed a religious belief system and a language to codify and transmit their cultural components. This allowed them to create a certain level of social cohesion around their development goals. In this regard, the

path to economic development relies on the mobilization of a Nation-State's own culture in an endogenous way. This mobilization usually comes at the double cost of rejecting most imported cultural values, and the courageous adoption of most traditional values against all exogenous odds from former colonial powers and counterproductive international cooperation. Since religious beliefs and languages are the two standout codifiers and conveyers of culture or identity, a nation needs its own endogenous religion and language.

In Christianity, for example, Nation-States in Europe developed their own versions of Nicean Christianity to fit into their cultural heritage. Italy, France, Portugal, and Spain are examples of countries that used the Catholicism stream to enslave, colonize and loot Africa in order to enrich themselves (Martin, 2019; Burgis, 2015; Rodney, 2018).

Colbertism was an economic theory brought forth by France to systematize the economic looting of its colonies. England and Germany have developed their adapted versions of the same religion for the same purpose. The nationalization of Christianity is the reason why its sacred book exists in more than 15,000 versions today. Since its creation, Christianity has mentally enslaved, bombed populations, assassinated national leaders, lied, stolen, and perpetuated these practices to this day. Is it even conceivable that the Nation-States that have been the victims of such practices could consider using this same ideology to erect their management ecosystems and prosper in their respective societies? My suggested answer is a resounding NO. In such a case, Africa need to mobilize its existing historical religious traditions that predated Christianity and Islam, to prosper its society. At last, this a call for Africa to organize and promote its own traditional religion and language as already recommended by Diop (1991). The erection of a management ecosystem based on an idiosyncratic religious system to convey endogenous meanings and a common language to further codify and maintain those meanings is the first core management principle for the African project.

The second lesson from Christianity and Islam is that the indigenous religious belief system and language are necessary in social construction. Since they are two launching pads of culture and identity, they are inevitable in fabricating the individual and collective filters in social management. In this regard, Kennedy (1988) discussed the example of the FraFra people of northern Ghana where the community traditions emphasize generosity and sharing. This means that they will help each other get ahead in life, but if an entrepreneur refuses to share his profits generously with ethnic members, he is looked upon as a threat and a swindler rather than a benefactor, which can be critical for business. The inability of entrepreneurs to fall back on kinship aid can prove fatal in such countries where the economy is not as developed, and an individualistic and selfish entrepreneur will not be able to access such aid. Another ethnic group, the Hausa people, have a very close-knit community based on mutual support. Such support enables Hausa businesspeople to be very successful. While banks increasingly serve as an important source of working capital, the credit relations based on trust, socio-economic relationships, kinship, and religious affiliation still play an important role in Hausa business activities (Martin, 2019; Burgis, 2015; Rodney, 2018).

The conclusion of Weber (op. cit.) seems to have more to do with individualistic Protestants versus collectivistic Catholics in Europe. However, the collectivism of African religious traditions can well be used to recreate prosperity, just as it used to in the ancient African empires of Egypt, Timbuktu, Songhai, Ghana, and Benin, to name a few historical examples of precolonial Africa (Diop, 1987). The comparative analysis is calling for a second economic management principle. That is, the valorization and the mobilization of historical social traditions through mass communication and the school curriculum to develop a common but competitive social platform for economic public policy management.

The third lesson is that indigenous religion and language as well as endogenous social construction are necessary to political organization. In fact, these three lessons are puzzling because African civilization predated the European Modern State by thousands of years and because both the Greeks and the Romans plagiarized Egyptian spirituality, philosophy and political organization, and wealth (James, 2010). Thus

far, critics of democracy have taken the view that beyond the political speeches, its ideology has little to do with serving the interests of the average citizen. Further, democracy is so widely used by former colonizers to promote their respective interest by imposing puppets and incongruent leaders that it becomes an empty promise (Moyo, op. cit).

The Western Nations are so uncomfortable with strong national leaders that stand in their path of continued destruction that they target them with permanent war propaganda. Strong national leadership is the way of resistant change. The stronger Africa becomes the better it can beneficially exchange with other nations. Nevertheless, African political restructuring will do best to ground itself in local culture and identity. The current Covid-19 crisis is exposing the deeper structural inefficacies of the market economy model. It is uncertain whether those inefficacies are consistent with the Kondratieff waves. However, my prospective on post Covid-19 globalization can be summarized in the straightforward idea that any African Nation-State that does not take the path of a grounded and resistant leadership will be further engulfed in deeper cultural and structural difficulties and potentially subjected to recolonization.

This comparative analysis delivers a third actionable management principle. That is, to re-emerge economically, sub-Saharan African nations will have to build an idiosyncratic political system rooted in their own social traditions, religious values, and languages at the exclusion of any exogenous systems.

6. Concluding Remarks

This paper has investigated the role of national or social identity at different stages of the industrialized nations' economic development models. As stated above, it concludes by documenting three important actionable lessons for emerging markets and developing African economies. Thus, at the core of a management process that has enough power to bring about sustainable economic development are three principles. The first management principle is to create and share an idiosyncratic religious ideology rooted in common historical traditions. The second management principle is to use that exclusive ideology to establish a subsequent social organization favorable to human promotion and protection against all form of adverse external interventions. The third management principle is to use the first two principles to build a unique political system and power structure.

Endnotes

¹ https://www.worldbank.org/en/publication/global-economic-prospects.

² On the systematic looting and plagiarism of the African (Egyptian) Mystery System by the Greeks, see "James, George G. M. (2010), *Stolen Legacy: The Egyptian Origins of Western Philosophy*.

³ <u>https://www.zambianobserver.com/why-cadres-and-followers-must-remain-hungry-and-poor-all-the-time-adolf-hitler.</u>

⁴ Meredith & Rodney, already quoted.

⁵ https://www.worldbank.org/en/publication/global-economic-prospects, June 2020.

⁶ "The name of the syndrome is derived from a botched bank robbery in Stockholm, Sweden. In August 1973 four employees of Sveriges Kreditbank were held hostage in the bank's vault for six days. During the standoff, a seemingly incongruous bond developed between captive and captor". (https://www.britannica.com/science/Stockholm-syndrome)

⁷ This point will be further discussed in a future paper about the impact of religion on sub-Saharan Africa.

References

- Acemoglu, D., & Robinson, J. A. 2012. Why Nations Fail: The Origins of Power, Prosperity, and Poverty. New York: Crown Publishers.
- Allen, B. J. 2011. *Difference Matters; Communicating Social Identity* (2nd ed.). Long Grove, Illinois, United States: Waveland Press.
- Atwill, J. 2011. Caesar's Messiah (1st ed.). Ulysses. ISBN 978-1569754573.
- Bond, R., McCrone, D., & Brown, A. 2003. National identity and economic development: reiteration, recapture, reinterpretation and repudiation. *Nations & Nationalism*, 9(3): 371–391. Retrieved from http://web.a.ebscohost.com/ehost/detail/
- Buchanan, J. M. 1994. Ethics and Economic Progress. Norman: University of Oklahoma.
- Burgis, T. 2015. The Looting Machine: Warlords, Oligarchs, Corporations, Smugglers, and the Theft of Africa's Wealth, Audible Audiobook, Gildan Media, LLC
- Castellani, M. 2019. Does culture matter for the economic performance of countries? An overview of the literature. *Journal of Policy Modeling*, 41(4): 700–717.
- Cowan, K., & Spielmann, N. 2018. Culture is in the "I" of the beholder: Identity confirmation in tourist advertisements. *Journal of Business Research*. Doi: https://doi.org/10.1016/j.jbusres.2018.05.015.
- Dabla-Norris, E., & Kochhar, K. 2019. *Closing the Gender Gap*. Retrieved May 28, 2019, from the International Monetary Fund: https://www.imf.org/external/pubs/ft/fandd/2019/03/closing-the-gender-gap-dabla.htm
- Daniels, J. D., Radebough, L. H., & Sullivan, D. P. 2018. *International Business; Environments & Operations* (16th ed.). New York, New Jersey, United States: Pearson.
- Dictionary, O. E. n.d.. National Identity, n. Oxford University Press. Retrieved May 10, 2019, from https://www.oed.com/view/Entry/125287?redirectedFrom=National+Identity
- Diop, Cheikh Anta. 1991. Civilization or Barbarism: An Authentic Anthropology. Paris: Lawrence Hill Books.
- Dreze, J., & Sen, A. 1995. *India; Economic Development and Social Opportunity*. Delhi and Oxford: Oxford University Press.
- Fitzgerald, P. 2018. Biopolitics and Vajrayana Buddhism. Journal for Cultural and Religious Theory, 50–77.
- Galeano, E. 2009. *Open Veins of Latin America: Five Centuries of the Pillage of a Continent*, Audible Audiobook, Audible Studios.
- Gradstein, M., & Justman, M. 2019. Cultural Interaction and Economic Development: An Overview. *European Journal of Political Economy*, 59: 243–251.
- Griffin, R. W., & Pustay, M. W. 2010. *International* Business (6th ed.). Upper Saddle River, New Jersey, United States: Pearson.
- Griffiths, B. 1984. *The Creation of Wealth: A Christian Case for Capitalism.* Downers Grove, Illinois.: InterVarsity Press.
- Grigoriadis, T. 2016. Religious origins of democracy and dictatorships. *Journal of Policy Modeling*, 38(5), 785–809. doi:10.1016/j.jpolmod.2016.02.012.
- Grinin, L., Korotayev, A. and Tausch A. 2016. *Economic Cycles, Crises, and the Global Periphery*. Heidelberg, New York, Dordrecht, London: Springer International Publishing.

- Harper, I. R., & Gregg, S. 2008. *Christian Theology and Market Economics*. Northampton: Edward Elgar Publishing.
- Hofstede, G. H.; G. J. Hofstede; M. M. 2010. *Cultures and Organizations: Software of the mind: intercultural cooperation and its importance for survival*, 3rd edition. New York: McGraw-Hill.
- Hubbard, R. G., O'Brien, A. P., Serletis, A., & Childs, J. 2018. *Macroeconomics* (2nd ed.). Don Mills: Pearson.
- IMF. (n.d.). *Gender and Economics*. Retrieved May 24, 2019, from the International Monetary Fund: https://www.imf.org/external/themes/gender/.
- James, George G. M. 2010. Stolen Legacy: The Egyptian Origins of Western Philosophy. Eastford: Martino Fine Books.
- Jans, L., Koudenburg, N., Dillmann, J., Wichgers, L., Postmes, T., & den Hartigh, R. J. 2019. Dynamic reactions to opinion deviance: the role of social identity formation. *Journal of Experimental Social Psychology*, 84. https://doi.org/10.1016/j.jesp.2019.04.001.
- Kennedy, P. 1988. *African Capitalism: The Struggle for Ascendency*. Cambridge: Cambridge University Press.
- Koegelenberg, R. 2016. Building More Effective Partnerships between the Public Sector and Faith Groups: The Role of African Independent Churches (AlCs)? *The Ecumenical Review*, 68(4): 453–462.
- Koestler A. 1976. The 13th Tribe. London: Hutchinson.
- Lawler, S. 2014. *Identity; Sociological Perspectives* (2nd ed.). Malden, Massachusetts, United States: Polity Press.
- Leary, M. R., & Tangney, J. P. 2003. *Handbook of Self and Identity*. New York: Guilford Press.
- Licht, A. N., Goldschmidt, C., & Schwartz, S. H. 2007. Culture rules: The foundations of the rule of law and other norms of governance. *Journal of Comparative Economics*, 35(4): 659–688.
- Mangayi, L. C. 2018. Township Churches of Tshwane as Potential Change Agents for Local Economic Development; an Empirical Missiological Study. *Hervormde Teologiese Studies*, 74(3): 1–12.
- Maridal, J. H. 2013. Cultural Impact on National Economic Growth. *The Journal of Socio-Economics*, 47: 136–146.
- Marini, M. 2004. Cultural evolution and economic growth; a theoretical hypothesis with some empirical evidence. *The Journal of Socio-Economics*, 33(6): 765–784.
- Martin, M. 2019. *The Fortunes of Africa: A 5000-Year History of Wealth, Greed, and Endeavor.* Audible Audiobook, Hachette Audio.
- Michel, L. 2013. Une analyse ontologique de l'État, Québec Conférence Proceedings, Université Laval.
- Moyo, D. 2009. *Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa*. New York: Farrar-Straus-Giroux.
- Mueller, S. L., & Thomas, A. S. 2001. Culture and Entrepreneurial Potential: A Nine Country Study of Locus of Control and Innovativeness. *Journal of Business Venturing*, 16(1): 51–75.
- Myint, H., & Krueger, A. O. 2011. Economic Development. Retrieved May 13, 2019, from Britannica Academic: https://academic.eb.com/levels/collegiate/article/economic-development/106199
- Okonjo-Iweala, N. 2012. Reforming the Unreformable: Lessons from Nigeria. Cambridge: MIT Press.

- Owens, T. J. 2000. Self and Identity: Through the Life Course in Cross-Cultural Perspective. Stamford: JAI Press Inc.
- Pamment, J. 2015. 'Putting the GREAT Back into Britain': National Identity, Public-Private Collaboration & Transfers of Brand Equity in 2012's Global Promotional Campaign. *The British Journal of Politics and International Relations*, 17(2): 260–283.
- Robotham, D. K. 2018. The study of ethnicity, minority groups, and identity. Retrieved May 23, 2019. https://academic.eb.com/levels/collegiate/article/anthropology/7795#236862.toc
- Rodney, W. 2018. How Europe Underdeveloped Africa. Audible Audiobook, Tantor Audio.
- Sand, S. 2009. The Invention of the Jewish People. London: Verso.
- Smaldino, P. E. 2019. Social identity and cooperation in cultural evolution. *Behavioural Processes*, 161: 108–116. https://reader.elsevier.com/reader/sd/pii/
- Stiglitz, J. 2012. *The Price of Inequality: How Today's Divided Society Endangers our Future*. New York: W.W. Norton & Co.
- Valerio, R. 2016. *Just Living; Fath and Community in an Age of Consumerism*. London: Hodder & Stoughton.
- Weber, M. 1930. The Protestant Ethic and the Spirit of Capitalism. New York: Scribners.
- Willett, J. 2013. National identity and regional development: Cornwall and the campaign for Objective 1 funding. *National Identities*, 15(3): 297–311.
- Wilson, S.-A. 2015. *Identity, Culture and the Politics of Community Development*. Newcastle upon Tyne: Cambridge Scholars Publishing.
- World Bank. 2020. *Pandemic, Recession: The Global Economy in Crisis*. Retrieved from: https://www.worldbank.org/en/publication/global-economic-prospects.
- Yang, B., & Lester, D. 2000. An Exploration of the Impact of Culture on the Economy; an Empirical Study of Unemployment. *The Journal of Socio-Economics*, 29: 281–290.
- Yarbrough, B. V., & Yarbrough, R. M. 2000. *The World Economy: Trade and Finance* (5th ed.). Orlando: Harcourt College Publishers.