

Review

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[Nerhum Sandambi](#) *

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Review

The Continue Fail of African Countries: Evidence of Some Countries Stuck in Underdevelopment

Nerhum Sandambi

Business, Economics and Management, Economics; nerhumsandambi23@gmail.com

Abstract: The study analyses African countries in particular, in order to understand why these countries are still trapped in underdevelopment. In fact, a large number of developing countries are still trapped in underdevelopment due, on the one hand, to institutional ignorance in these countries, especially political institutions, in line with the inefficiency of economic institutions which, from the outset, have not been able to ensure that they function as they should in order to guarantee the greatest possible prosperity for their societies. The lack of a set of institutions that allow African countries to transform their economies, however, represents a plausible reason for the continuation of these countries trapped in underdevelopment in particular. On the other hand, there seems to be an unbreakable vicious circle in African countries. These cycles help to consolidate economic failure and, above all, to consolidate the prison of underdevelopment in particular, in other words, a large part of these cycles promote dual societies that are characterised by the lack of a better distribution of income for their populations in particular.

Keywords: institutions; poverty; underdevelopment; social duality & vicious circle

JEL Classification: E00; O1; O11

1. Introduction

Studies on growth in Africa are considerable, bearing in mind the period analysed. Thus, economic growth on the continent began to take place mainly in the 1960s, when most countries became independent. For many African countries, this independence brought with it a series of conflicts, characterised above all by the weak capacity of countries to manage various conflicts internally, caused from the outset by poor territorial division and the struggle for power with the aim of controlling and holding on to control of the country. On the other hand, the approach to natural resources has led many African countries to stagnate in a kind of natural resource trap (which necessarily involves excessive dependence on just two natural resources that countries have in abundance for exploitation and export, for example natural resources such as gold, oil and diamonds, which are exported), gold, oil and diamonds, which are exported in large quantities by the countries that have them in abundance), natural resources have been a stumbling block for African countries, where the natural resource trap makes countries comfortable and stagnate, leaving economic development to the back burner. Therefore, understanding how natural resources are distributed will help us realise whether these countries can or have managed to get out of this trap, which still exists in 90% of sub-Saharan African countries. There are a number of plausible reasons that should be taken into account from the outset. On the one hand, these reasons relate to the fact that the countries do not have strategies that allow them to get out of this area from the outset. An example of this is the fact that African countries have an economic agenda geared towards the export of precious commodities such as diamonds, gold and other precious natural resources. African governments, from the outset, simply produce for economic reasons and not to guarantee sustainability, as is the case with some Western countries.

(Acemoglu & Robinson, 2013) show some evidence about the prosperity of countries, where they emphasise the lack of prosperity in African countries in particular, Latin American countries and some Asian countries. Thus, according to the authors, many countries fail due to poorly functioning institutions. Extractive institutions are those that favour a minority, i.e. they do not prioritise the equitable and fair distribution of income to the population. On the other hand, there are inclusive institutions, characterised by the inclusion of economic agents, i.e. most of these institutions favour an equitable and fair distribution of wealth. Thus, in sub-Saharan African countries, for example, and in other developing countries in general, there are mostly extractive institutions. Also according to this theory, African countries fail to become prosperous because, in addition to the inefficiency of the functioning of institutions, they are not prosperous for reasons related to the natural resource trap, as we have just mentioned in the previous paragraphs. (McArthur & Sachs, 2001), help, for example, in the perception of studies related to institutions in general.

The aim of this article, however, is to understand the main reasons that lead African countries to a kind of eternal failure in their governance. In order to understand these different reasons, we will focus on issues such as the natural resources trap, the malfunctioning of institutions, the ongoing civil conflict in sub-Saharan African countries, exports based on natural resources for most countries, the greed of politicians, inefficiencies in economic policies, the lack of commitment to the population and the countries that politicians lead, the lack of long-term policies, the geography approach, the reason given by some authors for the fact that the countries of the southern hemisphere are the poorest to begin with and also because they are countries where there is less intensification of trade between members, on the other hand, we will also analyse whether or not geographical distribution actually promotes greater intensification of trade between countries, another plausible reason that can be taken into account from the outset has to do with poverty levels in the region, to further support the study, we will address the reason related to the lack of inclusive governance in African countries, above all, Sub-Saharan African countries that are in the midst of unprecedented political and economic conflicts, the approach related to the decolonisation of the continent and the external influence of development countries on governments, and the analysis of how the West creates political instability, which significantly affects the continent's development levels in general. (Banerjee & Duflo, 2007)

Politics in Africa has a significant impact on economic growth and development, so African countries seem to remain on political priorities rather than leveraging their economies. This characteristic is notable throughout the African continent, especially in sub-Saharan African countries where natural resources are abundant, reinforced in (Acemoglu & Robinson, 2001).

African politics itself prioritises individual needs to the detriment of collective needs at the outset, which means that countries continue to make continuous and successive mistakes. This poverty, on the one hand, is not a mere coincidence, but has been deliberately caused by Africans themselves, with the hierarchy that controls political and economic power having the most absolute power, so much so that economic power allows them to have countless wealth calculated in countless numbers. It seems plausible to say that in a large number of African countries, the poorer they are, the longer governments stay in power. The political approach will naturally also be one of the approaches to be taken into account in this article. On the other hand, it is necessary to understand the operating model of African economies, and, for example, in African countries there has generally been an increase in the accumulation of wealth. There has naturally been a vicious circle in African governments, for example indebtedness through financing obtained from the West and other countries in the East, most of which is earmarked for the continent's regional development, but according to the evidence, African politicians spend the debt in Western countries, for example by buying houses and other luxury goods. In (Acemoglu & Robinson, 2014) In the first place, they show some relationships between institutions and human capital as possible promoters of prosperity. Naturally, this prosperity that comes from the relationship between human capital and institutions has not had promising effects in Africa in general.

2. The Dependence of Natural Resource

The current scenario on the African continent is one of continued dependence on natural resources, which by their very nature have been largely extracted and exported to Asian and European countries. As a result, African economies continue to be economies that initially serve as factors of production for a large part of Asian and European industry in particular.

Thus, 90% of the countries of sub-Saharan Africa still have structural weaknesses, especially in terms of production capacity, where there are still no higher levels of production that are strong and capable enough to become economies with greater production power on the one hand, and on the other, these countries are still trapped in underdevelopment, for various reasons, most of which have to do with weak market participation, i.e. a large number of markets in Africa are not inclusive, so that they cannot, for example, guarantee higher indicators that are in line with the needs that these internal markets themselves present. The majority of African countries seem to be asleep to the curse of natural resources, a theory introduced in **(Sachs & Warner, 2001)**

The lack of high levels of productivity, however, promotes a continuous failure of a number of industries that the continent has not been able to guarantee higher productivity indicators, which on the other hand is related for example to the lack of a strong organisational culture in a large part of the industries. The lack of productivity in Africa, on the other hand, is in fact due to the fact that in these countries, for example, there is relative inefficiency in organisations in line with the ineptitude of their workers. Competent human capital in any organisation actually develops a greater dynamism related to the long-term objectives that organisations want to achieve from the outset. In the short term, organisations are unable, for example, to respond to the main problems they face from the outset, so these short-term inefficiencies mostly lead to production incapacity and productivity losses. A large number of developing countries in fact display this characteristic, as analysed in **(Kronenberg, 2004)** reinforced in **(Hodler, 2006)**, see **(Cabrales & Hauk, 2011)** reinforce the approach with the correlation between institutions and the curse of natural resources. They reinforce **(Pendergast et.al, 2011)** reinforce the theory with the existence of large-scale levels of corruption in particular economies.

In sub-Saharan Africa, most of the countries continue to export a large part of their natural resources as a source of factors of production for the large economies that initially have the greatest power to transform the economy. In fact, there is a kind of vicious cycle in Africa that prevents these economies from really thriving. These vicious cycles can be identified in different sectors of economic activity, especially in sectors that are considered relevant to the growth of the economy itself. The transformation of the African economy remains largely dependent on the levels of organizational capacity that these economies in particular have and should have in the short term, for example. The dependence on natural resources in most African countries largely generates a set of interferences, and these interferences can be quantified externally as well as internally. Thus, internally, conflicts arise from the minority groups that exist in these countries. These minority groups are largely responsible for the social upheavals and socio-political instability that these economies largely display.

Africa's resources alone clearly show that they have not been able to guarantee greater growth for the economy in particular. On the one hand, this is due to the fact that these countries cannot, for example, be the countries that have the highest productivity and production indices in the first place. 75% of sub-Saharan African countries still export extracted resources on a large scale that do not require local processing, and, above all, due to the lack of a set of industries that should serve as points of economic transformation in particular.

Of course, there are countless reasons why African countries are perpetually underdeveloped, most of which correlate with the main issues at the outset that make it possible to guarantee greater indicators of economic prosperity per se. With the exception of just a few countries, most of these countries are not prosperous, so prosperity ends up depending to a large extent on the needs that these particular societies would like to have met in a particular way. A large part of the prosperous African societies have in fact been those societies where political interference has in fact been less

than in those where there has in fact been more interference, and where the same interference still continues in a significant way. There does seem to be a small correlation between political interference and the degree of prosperity that particular economies show, for example, the evidence clearly shows that countries like Ethiopia, Botswana have actually managed to prosper very significantly in relation to a number of countries that have experienced political interference along the way. Naturally, some countries such as South Africa, Namibia and a large part of North Africa have managed to escape the pattern that still prevails for the most part, for example, in these economies, they have some common characteristics, such as the fact that these economies belong mostly to the group of Commonwealth countries. Thus, within the group of African countries, English-speaking Africa represents the most prosperous group of countries on the African continent, and this is due in large part to the fact that these countries actually have a greater culture based on productivity itself.

Productivity in the countries of English-speaking Africa has in fact been the biggest driver of these economies in particular, on the other hand, because there is for example a great deal related to the fact that these countries for the most part have a set of institutions that are already characterised as extractive institutions, these extractive institutions have arisen in large part due to the set of vicious cycles that a large part of the countries of the continent in particular present.

The inefficiencies of governance have helped to promote a greater degree of uncertainty, above all, uncertainties related to the fact that there would have to be greater levels of particularity at the outset, for example, which would in fact be related to the fact that these countries have still been able to promote, for example, greater dynamism in terms of their ability to respond in the short term and to guarantee that their institutions could, for example, allow for greater levels of economic inclusion in most cases.

The uncertainties of governance in Africa in fact stem from a set of extractive political institutions and a set of institutions that are incapable of guaranteeing greater capacity to assert themselves in the short term, considering that these economies should in fact only become increasingly competitive if, for example, they have the highest productivity indices, so productivity in Africa ends up being highly correlated with the inefficiencies that are found in these economies in particular.

Dependence on natural resources not only promotes, for example, greater failure related to the malfunctioning of institutions, it also promotes, for example, a set of institutions that are more likely to become the institutions with the highest levels of general corruption and ongoing political interference.

There is another great peculiarity of these economies which is that in the short term they promote successive failures, these failures actually help to characterise the different degrees of inefficiency, so a large part of these countries are more dependent on imports in order to be able to guarantee that the domestic markets can function in a meaningful way, In other words, domestic aggregate demand ends up only being satisfied to a large extent through imports of goods and services that these particular companies actually need, i.e. that a large number of local companies are in practice unable to produce, for example.

The lack of intellectual property in a large part of African economies helps to contribute to the failures that these countries in particular show in a significant way. Thus, there are in fact some strategic pillars that, from a structural point of view, are of great relevance to the affirmation of the economy itself in particular. For example, these pillars help us to realise how inefficient African economies are. Based on these pillars, we can effectively understand some of the other inefficiencies that largely lead to the continued economic failure of African countries in general and also understand how these countries are still chained to continued underdevelopment, Thus, those trapped in underdevelopment are considered to be a large part of the countries that have not managed, for example, either in the short term or in the long term, to achieve the greatest possible dynamics of economic and social development for the inclusion of a greater part of their inhabitants,

this inclusion referring from the outset to certain points related to the levels of public guarantees, that is, a greater distribution of wealth for the greater part of their population in general.

Countries trapped in underdevelopment are not only incapable of guaranteeing greater prosperity for their citizens and their institutions, they are generally unable to allow major actions of great importance to be carried out in a meaningful way, for example, to think plausibly about how, for example, these countries in particular can ensure that developing economies can in fact allow development levels to be assertive and can, for example, ensure that these economies can, on the other hand, guarantee the greatest possible infrastructural dynamism.

Are these countries forever trapped in natural resources? The evidence seems to show that this is the way forward for these countries in particular. 75% of these natural resource-exporting countries still haven't made any improvements that would enable them, for example, to undergo a greater economic transformation, Mozambique, Congo Democratico, Congo Brazzaville, Guinea-Bissau, Guinea-Equatorial, where in fact, the excessive weight of the balance of trade, being mostly the export of energy resources such as oil in particular, for example, and on the other hand with greater intensity of commercialisation, for example, natural resources quantified in diamonds.

So, in addition, of course, to some indicators that mostly have to do with the levels of economic transformation in particular, there is other evidence that really helps to show the different degrees of inefficiency that these economies in particular present as this dependence continues to increase, on the other hand, Countries will be able to free themselves from the prison of underdevelopment if they manage to secure some significant improvements that will be related to, firstly, the quality of their institutions in particular, secondly, issues related in particular to the levels of economic transformation, and thirdly, these economies must fulfil a set of criteria that will allow them to make their countries as inclusive and sustainable as possible. The pillars that promote the arrest of underdevelopment in African countries can be quantified for the most part, distinct pillars that seek from the outset to point to some plausible reasons for the continuing failures related to the economy itself and its failure in particular.

3. Dual Societies in Africa

In addition to the inefficiencies that these countries generally have, a large number of African countries also have a number of inefficiencies, most of which are related to the fact that there are, for example, a number of institutions, firstly which do not work, and secondly, because they have significant inefficiencies in the functioning of the societies themselves.

Thus, dual societies in Africa have proliferated mainly due to the different vicious cycles that the countries present, and these vicious cycles have, for the most part, already been sustained by the majority of the institutions that are found in these countries in particular. Thus, in Africa, vicious cycles still persist for various reasons that can be listed in this article, for example, the fact that there is great inefficiency in the distribution of income for a large part of the African population in general, the levels of poverty that we see in African countries originate above all in these vicious cycles, where their permanence only guarantees that a minority group actually has access to almost all economic opportunities; on the other hand, the permanence of these cycles helps, for example, to identify institutional failure as the biggest promoter of these cycles.

Vicious cycles are quantified in that only a minority that has absolute control of the economy in particular, can in fact control all the economic institutions that exist in these countries. The maintenance of these cycles occurs to the extent that the minority groups that hold political and economic power change, i.e. political changes, related to the exchange of new governments for example, help to promote this maintenance of vicious cycles, from the moment this change occurs, in these societies there are significant changes in the country's economic landscape, i.e. their governments are not usually able to guarantee that these cycles can become as inclusive as possible, the evidence clearly shows that there is in fact significant exclusion caused by these vicious cycles, where only 1%-2% of the total population are able to have absolute control of the economy from the

outset, i.e. they are able to guarantee all their possible interests from the outset. Above all, economic interests have in fact been responsible for these vicious cycles in African countries.

Thus, as the cycles increase, there are also significant increases in social dualities. These social dualities help us to understand, for example, how far apart societies are from each other, most of them being a kind of hybrid society. In other words, because they are dual societies, the minority are able to have the best possible opportunities, while the majority are not able to have these opportunities, due to the inefficiency related to the distribution of wealth in these particular economies.

A large number of sub-Saharan African countries do in fact have dual societies, as has been mentioned, which stem from the vicious cycles that these countries generally have.

4. Economic Transformation

African nations, for example, largely have a set of inefficiencies that have to do, for the most part, with the economic transformations that these countries should in fact be undergoing. However, this is not the case due to a number of factors that are preponderant from the outset, above all, in order to understand how these factors in fact help to realise these levels of economic transformation in particular. For example, in countries where these inefficiencies still persist, a large part of their exports are still made using the extraction of natural resources that are most relevant for export to the most important international markets and where there are higher levels of consumption in particular. Thus, the Asian markets, for example, end up being the biggest source of income from exports of the main natural resource commodities such as oil and diamonds, which are exported by a large number of sub-Saharan African countries, including Angola, Mozambique, the DRC and Equatorial Guinea in particular, Serra Leoa, Burkina Faso, Repblica Centro Africana, because they are countries that depend heavily on exports of these resources to guarantee significant levels of income for most of their domestic needs, on the other hand, these countries have the greatest dependencies, for example, on imports of high-intensity consumer goods, that is, the goods most consumed by the inhabitants of these countries in fact help to make these economies eternally dependent on imports of food and other goods and services needed in particular to ensure that domestic demand is in fact met to a large extent first and secondly to ensure that these economies can largely function at the desired pace in the first place, for example, these countries have another great particularity which has to do in fact with the way in which they manage to channel a large part of their resources with in the first place to cover these needs.

Thus, economic transformation in Africa seems to have become a mirage. Countries can in fact escape the pattern, just as a large number of countries have done. For example, Tanzania, Bostwana, Ethiopia, Senegal, Kenya and Rwanda have been countries that, from the outset, have managed to ensure that a large part of the incentives related to economic transformation are in fact satisfied, These incentives are quantified above all in the need for a set of infrastructures to exist from the outset, so countries that manage to guarantee the greatest number of possible infrastructures from the outset are able to guarantee that these economic transformations take place to a large extent without there actually being a need, for example, for a large number of countries to be linked to constant borrowing requirements from the outset, as is the case in most economies in particular.

Economies are able to transform themselves from the outset when they are able to ensure that a number of conditions are met to a large extent. These conditions help countries, for example, to be able to integrate the main needs in particular that they have to a significant extent from the outset.

5. Infrastructures as Promoters of Economic Prosperity

A large part of modern economies have as the main promoter of their development the levels of infrastructure that these economies have in particular. From a very early stage, these economies were able to realise how important infrastructure is for the progress of their nations and their economies in particular. Above all, in a large part of the American economies, with a greater emphasis on North

America, infrastructure has a great deal to do with the fact that it can in fact provide the greatest dynamics of systemic growth that can be seen in these societies in particular. Thus, understanding these particularities really does help to show how efficient these economies have been, especially in terms of ensuring that they can provide the greatest possible inclusion and that the markets can absorb a large part of their production. Thus, in these economies in particular, there is a kind of set of organisations that together manage to ensure, for example, that countries can become as resilient as possible from the outset. Thus, the economies that have achieved this resilience have always been those economies where there has always been a significant set of infrastructures capable of guaranteeing the greatest possible support for the different production units that exist in these countries, in particular.

Contrary to this, for example, in a large part of African economies, the level of infrastructure has not been sufficient to ensure that economies can become prosperous and as inclusive as possible from the outset, i.e. sustainable. The fact that African economies are largely dependent on natural resources means that they have higher levels of economic failure, and these economic failures are quantified to the extent that a large proportion of them are unable to become resilient, i.e. in the short term these economies have been unable to ensure that they can, for example, promote greater sustainability that is in line with the short-term objectives that the countries in particular really want to have. Thus, African countries should in fact present a different trajectory to the one they are currently on, for example, they could in fact try to promote greater inclusion and greater sustainability as much as possible through their institutions, and this sustainability would have to be in line with the levels of infrastructure in particular.

The lack of infrastructure in African countries also promotes other major inefficiencies, most of which are quantified by the absence of a productive sector that is sufficiently capable of ensuring that the industrial levels in these countries can allow for greater productivity from the outset, and yet guarantee that the economies can in fact rid themselves of the continuing underdevelopment that they generally experience from the outset.

In order for countries to be able to change their trajectory, they will have to promote a greater set of institutions that promote most of the levels of development and growth of the economy in particular in a significant way. Thus, the growth of the economy could in fact depend to a large extent on the infrastructures that are characterised as guaranteeing the greatest possible prosperity.

6. Conclusions

The study sought to analyse in a meaningful way the successive failures in the developing countries of Africa, above all, the countries of sub-Saharan Africa, where in fact they have a greater relevance in the statement itself. To a large extent, it has been found that a large number of developing countries remain poor due to a series of inefficiencies, most of which are quantified in the institutions that exist in their economies to begin with, institutions in general have been the promoters of this failure, especially extractive institutions, which are characterised by the fact that they are in fact all those institutions which from the outset aim to take resources away from a majority to the detriment of a minority who generally have control of the main economic and political institutions of the country in particular.

On the other hand, African countries remain trapped in underdevelopment because these countries, in particular, have too many dual societies, on the one hand, and on the other hand, because there is in fact a great deal of inefficiency with economic transformation in particular, i.e. these economies are significantly unable to guarantee in the short term that they will, for example, become sufficiently capable of guaranteeing greater growth and greater economic prosperity for their countries in particular. It also reinforces the need for a lack of institutions capable of guaranteeing greater promotion of economic prosperity in line with the particular needs of these countries. Thus, the analysis suggests that a large number of African countries could indeed become prosperous economies if they were able to guarantee a set of factors that would, for example, ensure significant growth for these economies in particular.

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