Managing Africa’s Natural Resources: Capacities for Development

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This book offers a rich set of insights into natural resource management and governance in Africa. One of the real strengths of the book is the diversity of voices and perspectives that it brings. The passion for the continent’s development is evident in all of the contributions and it is an important step forward in getting us to think about resources as a potential source of broad-based and shared development, rather than as necessarily a problem; or in more extreme formulations a “curse”. In this short review I can’t do justice to the depth, variety and richness of the book, so I will focus on some areas that stood out for me that might be worthy of, or provoke future debate.

The chapters display a nuanced understanding of political economy, and many are prescriptive about institutions and policies. The book is sensitive to emerging new initiatives and models from the BRICS (Brazil, Russia, India, China, South Africa) countries for example. However, as chapter five shows, the long-term trend for commodity prices is still downward; the recent global commodity super-cycle not withstanding. Is the commodity super-cycle now coming to an end or will commodity prices increase again, over the medium term, as scarcity reasserts itself? What will and should be the implications of the end of the super-cycle for policy makers in Africa?

Useful analytical frameworks are developed in the book to advance its agenda—the “capacity-leadership-governance” trichotomy as an axis of transformation. Capacity is interestingly defined in chapter ten as the ability to deliver on, or achieve stated goals. Other interesting concepts are also developed: such as the idea of dams as strategic stores of water in the context of climate change. The book is also packed with interesting statistics such as that $1 trillion worth of minerals and oil are extracted from the continent each year.

However, the scale of misappropriation of resource rents in some countries is also shocking with less than half of total oil revenue accruing in Cameroon being transferred to the budget, for example. Three timber companies, by themselves, control 20% of Liberia’s land area. The challenge of effective natural resource management is significant in the context of such massive and entrenched power differentials and positions.

Nonetheless the book also provides evidence of African states taking very proactive roles in combatting misuse of resource rents, with Nigeria indicting former US Vice-President Dick
Cheney in relation to corruption charges and seizing over 260 ships with illegally bunkered oil in a three year period.¹ This speaks perhaps to the latent or contested nature of African states. While many African states are often pilloried in the popular media, and some academic accounts, as being completely driven by rent seeking, this is not always the case. Many are also responsive to the domestic needs of their citizens and the imperatives of justice. However the way in which African states have historically been constituted through dependence on resource extraction, often controlled by foreign companies has been problematic. Nonetheless there are different social forces and contestations within the state which have diverse motivations and visions and this book does an admirable job in highlighting ways in which natural resources have been, and could be further, managed for the public good.

One area that I thought would be interesting to pursue further is the selection environment for developmental states to emerge. Why did Botswana emerge as a developmental state for example? Is it always necessary that developmental states have either internal or external security threats to emerge (in the case of Botswana represented by apartheid South Africa)? What goes into making independent institutions? Are these issues primarily of class or democracy or a combination of the two?

Another issue which arose for me from the book is the extent to which natural resources are “nationally” controlled at the moment? Are they also governed by transnational trade and capital regimes and actor networks and what does the rise of the BRICS portend for their management? What are the primary sources of social resistance to extractive globalism on the continent? Some of the contributors also note the need for greater community participation in natural resource management. How can this be achieved and can conflicts be reconciled between extractive projects and local communities or are they often zero sum games? A final question that emerged from me from the book was what are the key steps in evolving from management of natural resources to economic transformation?

This book is a provocative contribution to the literature on natural resource management. It provides us with examples of good practice and what the major challenges are in the effective management of natural resources for the public good. As such it deserves to be widely read by academics, students and policy makers.

References


¹ However as Peel (2009) notes, in some cases the oil in these ships was then sometimes stolen by high-ranking military officials.