ISS | AFRICAN FUTURES

Current Path

The Lagos Plan of Action

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The Lagos Plan of Action

The Lagos Plan of Action similarly failed to produce results. The plan required a commitment to regional cooperation, the appetite for which disappeared shortly after it was adopted. At a 1991 meeting of African Ministers of Trade at the UN's Economic Commission for Africa (UNECA), the participants noted that African governments had largely failed to incorporate the plan into their national development frameworks and that it lacked effective monitoring and follow-up mechanisms for its implementation. Similarly, regional schemes aligned with the plan found little success, as the various RECs all lacked supranational authority to monitor or enforce compliance with the plan or related instruments. The meeting lamented the failure of African economies and trade systems to modernise and noted the need to remove intra-Africa trade barriers.

Rolling economic crises in the 1980s and a reliance on tariffs for a good part of government revenue spurred intra-Africa trade protectionism. Furthermore, the SAPs provided African governments with easier access to finance than the more abstract and difficult-to-realise benefits of continental cooperation offered by the plan while undercutting its 'collective self-reliance' intentions.

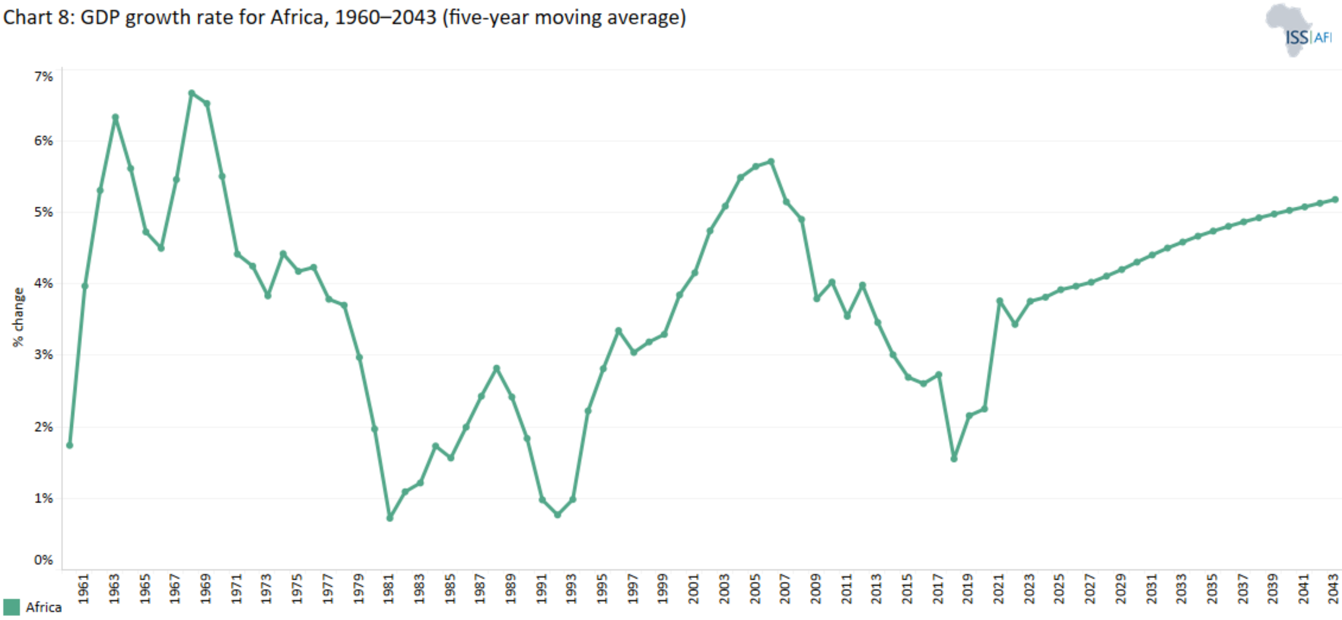
Between 1980 and 1990, Africa lost considerable ground—in development terms, it was actually moving backwards. The average income per person decreased by about 12% and declined by a further 2% in the early 1990s.

The Lagos Plan of Action was followed by the Abuja Treaty, which was signed in 1991. The Abuja Treaty aimed to reconcile pan-Africanist development ambitions with the liberalisation orthodoxy of the time, moving away from the focus on market integration in favour of collaboration, expansion and diversification of production across regions. Although Abuja inspired marginal reforms in some of the continent's RECs and led to the establishment of the African Economic Community, which seemed like an improvement on the Lagos Plan, it faced similar challenges, including reluctant cooperation from member states and subsequently also failed in its ambitions.

Eventually, it was the commodities boom, and not a grand plan, that changed Africa's prospects. From 1994 until 2008 (when the financial crisis hit), Africa experienced its most sustained period of growth since independence in the 1960s—an average of 4.6% per annum. During this period, average per capita income increased by 35%. However, the share of Africans living in extreme poverty decreased by only about five percentage points, partly owing to the high levels of inequality on the continent and rapid population growth.

Chart 8 presents Africa's average GDP growth rate from 1960 to 2022 (an average of 3.5%) and includes a forecast of growth to 2043 (forecast at an average of 4.6%).

Chart 8: GDP growth rate for Africa, 1960–2043 (five-year moving average)



Source: IFs 7.84 initialising from WDI data

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About the authors

Dr Jakkie Cilliers is the ISS's founder and former executive director of the ISS. He currently serves as chair of the ISS Board of Trustees and head of the African Futures and Innovation (AFI) programme at the Pretoria oce of the ISS. His 2017 best-seller Fate of the Nation addresses South Africa's futures from political, economic and social perspectives. His three most recent books, Africa First! Igniting a Growth Revolution (March 2020), The Future of Africa: Challenges and Opportunities (April 2021), and Africa Tomorrow: Pathways to Prosperity (June 2022) take a rigorous look at the continent as a whole.

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