Udogu, E.I. (2012). [Book review of] Rethinking Development Strategies in Africa: The Triple Partnership as an Alternative Approach—A Case of Uganda, by Johnson Makoba, **Africa Today**, 58(4): 139-142 (Summer 2012). Published by Indiana UP (ISSN: 0001-9887). DOI: 10.2979/africatoday.58.4.139.

Book Review

Makoba, Johnson W. 2011. RETHINKING DEVELOPMENT STRATEGIES IN AFRICA: THE TRIPLE PARTNERSHIP AS AN ALTERNATIVE APPROACH—A CASE OF UGANDA. Oxford and New York: Peter Lang. 269 pp. $46.47 (paper).

As the author has underscored, his book is the outcome of a thirty-year research effort (p. ix). The book outlines an alternative template and trajectory for African development in light of the continent's difficulties in addressing the growth program critical for assailing the issue of Africa's underdevelopment since the start of self-rule. It is made up of six chapters, a list of acronyms and abbreviations, an impressive bibliography, and an index.

Chapters one, "Development Strategies in Africa: An Assessment," and two, "Economic Reforms in Uganda 1986," provide readers with snapshots of the superstructure of the argumentations in the text. Both chapters suggest that collaboration between the trinity of state (investment), foreign aid, and nongovernmental organizations (NGOs) and microfinance institutions (MFIs) could catapult the continent to greater heights developmentally. Conversely, the author states emphatically that: "in this study, we argue that the state, nongovernmental organizations[,] and even the private sector, each working on its own and separately, cannot bring about the desired development in Africa" (p. 2). It is around the discourses on the preceding suppositions that the chapters of this book can be fully comprehended. In the first chapter, Makoba insists that the invention and participation of MFIs, in Africa's development agenda, is a sine qua non because MFIs work between the state and the market to bring succor to destitute and marginalized social groups. Additionally, he contends, the success of MFIs in the development project flows from the assumption that a bottom-up approach to growth has consistently depicted its superiority in fostering economic and social change (p. 6). To buttress this thread of his argument, Makoba berates the state as irrelevant within the context of neoclassical economic practice. This is the case because most states in Africa are inefficient in allocating resources, partly because of corruption (pp. 7–8). This development invokes a peculiar syllogism, in which the state is the market, and the market is the state; thus, the state cannot encourage robust private entrepreneurship. He agrees, however, with Amartya Sen's proposition that, to advance a development agenda, the state and the market, though they should operate separately, should nevertheless work symbiotically, backing each other up (p. 13). Since the template that relegates authority to the state as an engine for development has not worked effectively, microfinance institutions should serve as a significant tier in an economic growth plan. Their benefit is that they have a track record of attracting the poor into the economy by providing financial services such as credit, savings, and insurance (p. 16). Chapter one provides a synopsis of each chapter in the text, blow by blow (pp. 41–45).

Chapter two examines the economic policy and fundamental restructurings embarked upon by Uganda since the mid-1980s. These regimes aimed at advancing economic revival, development, and poverty reduction were dictated by a neoliberal paradigm (p. 47). The preceding economic strategies (imposed mainly by the World Bank and the International Monetary Fund) for improving the development agenda in Uganda, as in other African countries, were not efficacious. Indeed, plan after plan—as in "strategic-adjustment plan," "economic-recovery program," "poverty-eradication action plan," and so forth—that sought to tackle the development quagmire in Uganda failed to address the problem of development (pp. 54–56). Even a more contemporary attempt by the country under the National Development Plan of 2010–2015 appears moribund, partly because of poor management (pp. 57–78). Unfortunately, not even the discovery of oil in Uganda (as in Ghana, the Sudan, and elsewhere) is likely to exculpate the country from its current economic quandary. Notionally, this fortune is referred to paradoxically as the "resources-curse hypothesis"; it is a theory that "predicts that resource-rich countries are likely to fail," especially in the developing world, because abundant resources promote indolence, rent seeking, conflict between competing groups (as in the Sudan), corruption (as in Nigeria), and other centrifugal vices (pp. 79–80). So it appears that the more things change, the more they seem to remain the same in Uganda and other Africa countries—at least as of now.

In chapter three, "NGOs, Microfinance Institutions[,] and Grassroots Development: Focus on Uganda," Makoba returns to one of the factors—in the triumvirate of state, foreign aid, and NGOs/MFIs, in what I term a "collective-thrust hypothesis"—for African development articulated in chapter one. Whereas the activities of NGOs in Africa have been told and retold, those of MFIs have had limited exposure in the continent. Commonly, MFIs provide loans to small-scale entrepreneurs, mainly women, in small villages and communities. This strategy for alleviating poverty in much of the developing world was popularized by Muhammad Yunus and the Grameen Bank in Bangladesh. Although it is stated in this chapter that the focus of discussion on MFIs is Uganda, the author does an excellent job in his comparative approach by augmenting the analysis with examples from other developing nations (pp. 89–94). It is refreshing that, despite the messianic drive of actors interested in this developmental genus (MFIs) in the developing world, Makoba admits that the outcome of this project has not been entirely successful (p. 91); hence the suggestion that MFIs should be part of the cocktail or brew in the mission and strategy to promote a growth agenda in Africa. It is noteworthy, however, to affirm that

> an important empirical study of women in the Arua and Mukono districts of Uganda found that participation in microfinance empowers women's decision-making in the two areas of agricultural production and use of household income. . . . In other words, the studies confirm that participation in microfinance programs reduces women's vulnerability to economic risks, so that they are able to cope with shocks or economic stress. . . . [The above] findings mirror a study of the Uganda Women Finance Trust (UWFT), which concluded that the impact of the program has been manifested in education, health, nutrition, accommodation [i.e., shelter,] and in savings mobilization. (p. 105)

Generally, one would have expected the government to support such a program enthusiastically, but it did not. Instead, the administration withdrew its support for this plan, partly due to MFIs' inability to attain adequate pastoral penetration or outreach and provide credit to the numerous rural poor—which was the raison d'être of the program (p. 108). Consequently, the future of MFIs in the republic is bleak and may be in limbo or relegated to the dustbin of history (pp. 110, 114).

Chapter four, "Microfinance Reconsidered: Performance and Impact Assessment Methods," is a sober—some might say poignant—critique of the program. It is a given that donors and policymakers would wish to see tangible results from their investments and policies supporting MFIs; and when they don't see obvious positive outcomes from microfinance regimes, they are likely to dismiss MFI-supported projects and write them off, as they have done in Uganda (p. 119). The negative evaluation of the program's efficacy was exacerbated by the problem of developing effective tools with which to measure its success (pp. 123–128). Another issue with MFIs in Africa is the notion of borrowing and paying back loans with interest. This Western capitalist mode of operation remains alien to many villagers in the developing world. Some rural folks consider such loans to be gifts—a reaction that has its roots in culture, or that flows from the precept of cultural determinism.
Chapter five, "Commercialization and Sustainability of Microfinance Institutions: Implications," wrestles with the issue of MFIs generating enough profits from loans given to borrowers in order to sustain the practice and extend more credits to others. Here, the author carefully reviews the literature on this subject in Latin America, Africa, and Asia. Overall, the results of commercialization attempts have been mixed (pp. 143–151). For example, the drivers of commercialization of MFIs have been governments and donors in Asia. In Uganda and sub-Saharan Africa, however, advocates of the idea of commercialization have been donors, especially those that

seek to raise enough profit to sustain the duties of administrators and defray the cost of running these institutions (p. 151). The future of commercialization of MFIs, in spite of its allure, is in doubt because of the challenges it faces: “determining a suitable governance and ownership structure; raising adequate capital; and having to go on charging high interest rates in spite of market competition” (p. 171).

“The Triple Partnership for Development in Africa” is chapter six. At the heart of the discourse in this chapter is the question of sustainable development, which “implies promoting development that seeks to alleviate poverty and protect the environment as well as conserve natural resources” (p. 178). The attainment of this objective in Africa may depend on collaboration of the troika of the developmental state, the nongovernmental sector, and supporting donor agencies (p. 178). On paper, this teamwork is useful for advancing a successful development project in Africa, but such partnership or cooperation is seldom attained because of conflicting interests of actors and stakeholders. Added to this dilemma, too, is the ubiquity of corruption and its propensity to stultify well-crafted development plans (p. 188). Notwithstanding the preceding conjectures, Makoba suggests the need for institutional reform and provision of transformational leaders in Africa as strategies for improving cooperation and the efficacy of programs intended for promoting sustainable development (pp. 191, 197). Fortunately, Africa has never lacked well-articulated models for moving the continent forward developmentally; regrettably, however, African leaders have lacked the will to implement these frameworks effectively (pp. 207–210).

Chapter seven, as the final essential segment of the book, is titled “Summary and Conclusion.” It is an impressive chapter, which encapsulates the thrust of the volume and provides a real prologue to the entire edifice of this work. It is, indeed, a must-read for social scientists and students of development interested in the growth process in the developing world.