

# AIB Sub-Saharan Africa (SSA) Series

## **Series editors**

Ifedapo Adeleye  
Haslam College of Business  
University of Tennessee Knoxville, USA

Lyal White  
Johannesburg Business School  
University of Johannesburg, South Africa

Sub-Saharan Africa has recently been cited as the 'next frontier for growth,' and academics across business disciplines are increasingly focusing on this specific territory of study. *The AIB Sub-Saharan Africa (SSA)* series addresses topical issues concerning this emerging market. With contributions from leading scholars in the field comprising of Africans in the diaspora, non-African scholars with a keen interest in the region and African scholars and consultants who reside in the region, the series is uniquely multi-disciplinary in nature with contributions from the core business disciplines including strategy, entrepreneurship, marketing, international business, human resources management. Other interesting areas include political economy, economic geography, development economics, and international economics.

More information about this series at  
<http://www.palgrave.com/gp/series/14762>

Ifedapo Adeleye • Mark Esposito  
Editors

# Africa's Competitiveness in the Global Economy

palgrave  
macmillan

*Editors*

Ifedapo Adeleye  
Haslam College of Business  
University of Tennessee  
Knoxville, USA

Mark Esposito  
Harvard University  
MA, USA

AIB Sub-Saharan Africa (SSA) Series

ISBN 978-3-319-67013-3

ISBN 978-3-319-67014-0 (eBook)

<https://doi.org/10.1007/978-3-319-67014-0>

Library of Congress Control Number: 2017956108

© The Editor(s) (if applicable) and The Author(s) 2018

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Cover illustration: Steve Stock / Alamy Stock Photo

Printed on acid-free paper

This Palgrave Macmillan imprint is published by Springer Nature

The registered company is Springer International Publishing AG

The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

*To the loving memory of my mother. I miss you every day*

# Foreword

This book is a timely effort to rethink Africa's economic narrative. For nearly two decades Africa's popular storyline was represented by the "Africa Rising" meme built on the commodity boom and rise of China as Africa's leading trading partner. It was simply, catchy and hopeful. It was both hopeful and misleading. The narrative gave hope those who thought that revenue from commodity exports could be reinvested to spur Africa's economies and diversify industrial growth. Worse, it lulled those who believed that the rise of China and the associated commodity boom would restore Africa's so-called comparative advantage as world supplier of raw materials.

The optimism gave birth to new ideas such as resource-based industrialization that were pegged on the historical belief in raw materials as Africa's best starting point for long-term economic transformation. The optimism wasn't all misplaced. For many it became a source of pride and renewed self-confidence that extended to countries that were not benefiting from the commodity boom.

The impact of such optimism will outlive commodity price fluctuations. But optimism alone does not constitute a strategy that could guide Africa's search for alternative development pathways. This book provides new intellectual and pragmatic approaches that could help the continent enhance its global competitiveness and transcend the magical thinking that surrounds reliance on commodity exports. At the core of the

alternative approach offered in this book is the importance of industrial policy in long-term economic transformation. The focus on industrial development is a welcome departure from twentieth-century market liberalization ideology that defined globalization as we know it today.

The book elaborates a number of strategic policy approaches needed for industrial development. The most notable of these are the role of cities as centers of industrial diversification, banking institutions as catalysis of industrial growth, services as an integral part of overall economic growth, and human capital development as a critical driver of development.

African cities are some of the most underutilized economic assets on the continent. In most countries they account for the bulk of economic output. Yes, they are hardly managed as economic assets. They are often treated as administrative units often falling under local government. This deprives them not only of the support they need to advance industrial development, but as second-rate regions they hardly get the talent that truly reflects their economic potential. Drawing from diverse strands of economic theory, the book seeks to reposition African cities as centers of industrial innovation and diversification. The point here is not about cities as administrative unit but as clusters of critical assets necessary for industrial dynamism. The same cluster logic is extended to agricultural and energy sectors.

Part of the alignment of urban assets to drive industrial growth includes redefining the role of banking institutions so they can serve as catalysts of industrialization. This is not unique to Africa. Banks have placed this strategic role in emerging economies around the world, starting with Europe and the US when they were in their early stages of industrialization. The book examines this potential with specific emphasis on the role of indigenous pan-African Banks (PABs). The rise and growth of PABs represents a set of new assets that did not exist in the early decades of post-colonial Africa.

The need to rethink the role of the service sector is one of the themes addressed in this book. Much of the economic theory on this topic has been misleading and at odds with reality. The linear assumption that economies transition through certain stages that include the shift from industry to services has been heralded as a model for Africa to explore.

The view has been that Africa could leapfrog industrial development and move into services. There are cases where this is possible but the reality is that services are often an integral part of healthy ecological, agricultural and industrial foundation. This view suggests that the need to replace the linear model of economic stages with a more robust systems approach that acknowledges the importance of integration.

Finally, the book stresses the importance of human capital development as a critical driver of economic diversification. This is a key point given Africa's deficiencies in higher education, especially the limited investment in fields such as engineering. The point here is not to argue against humanities and social sciences but to redress the imbalances in the system and biases against investment in technical fields.

This book appeals to policymakers, academics and practitioners alike. But even more important is the timing of its publication. Africa is currently negotiating the creation of a Continental Free Trade Area (CFTA) that will cover all the 55 members of the African Union. The negotiations are an important testing ground for many of the ideas proposed in this book on how to enhance Africa's global competitiveness. Maybe the most immediate application of the ideas is at the African regional level. If Africa cannot rapidly expand its internal trade, it is unlikely to compete favorably internationally. Vibrant regional trade leagues will equip the continent with the knowledge and skills needed to play globally.

Professor of the Practice of  
International Development  
Harvard Kennedy School,  
Cambridge, MA, USA

Calestous Juma

Author, *Innovation and Its Enemies: Why People Resist New Technologies*

# Acknowledgements

We would like to express our appreciation and deep gratitude to all those who contributed to this volume and the associated conference. Many thanks to the following institutions for the immense contribution of their faculty to the 2016 conference and to this book: CEIBS (Annette Nijs and Mathew Tsamenyi), Lagos Business School (Enase Okonedo and Chris Ogbechie) and University of Lagos (Sunday Adebisi and Adeniyi Olarewaju).

Special thanks to our programme sponsors—China Europe International Business School (Gold Sponsor), First Bank Sustainability Centre at Lagos Business School (Silver Sponsors), and Emerald Group Publishing and CIPRA Centre at Lagos Business School (Bronze Sponsor)—for their continued support and partnership. We are especially grateful to Ms. Annette Nijs for organizing special symposia on Africa's Competitiveness and China's Investments in Africa.

Many distinguished professionals supported the conference as PDW leaders, special symposia organizers, track chairs, session chairs and reviewers; their contribution to enhancing the quality of this volume is much appreciated. We especially thank Professors Elizabeth Rose, Lilac Nachum, Yaw Debrah, Gül Berna Özcan, Nathaniel Boso, Bongo Adi, Ellis Osabutey, Ulf Richter, and Sam Kamuriwo. Special thanks to the series' editorial board and reviewers for this volume.

We thank our publishing partners, Palgrave Macmillan/Springer, for their continuing commitment to this and several other series exploring business in Africa. Liz Barlow and Lucy Kidwell managed the production of this volume in an efficient and professional manner.

Finally, we owe a debt of gratitude to all the contributors to this third volume of the SSA book series for their ambitious attempt to fill gaps in the literature on international competitiveness of African firms, industries, cities, and nations.

# Contents

<b>1 Africa's Competitiveness in the Global Economy: Past, Present and Future</b>	<b>1</b>
<i>Ifedapo Adeleye, Joseph Amankwah-Amoah, Nathaniel Boso, and Mark Esposito</i>	
<b>Part I The Global Competitiveness of African Nations and Cities</b>	<b>23</b>
<b>2 The Competitiveness Challenge of the Formal Sector in Francophone Africa: Understanding the Role of the Informal Sector and the Business Environment</b>	<b>25</b>
<i>Ahmadou Aly Mbaye and Fatou Gueye</i>	
<b>3 Theorizing Cities as Sources of Firm Competitive Advantage: Accra in Comparative Perspective</b>	<b>53</b>
<i>George Acheampong and Obi Berko Damoah</i>	
<b>4 The International Competitiveness and Connections of African Cities: Profiling South Africa's Gauteng City-Region</b>	<b>81</b>
<i>Joseph Parilla and Jesus Leal Trujillo</i>	

<b>Part II</b>	<b>Sectoral Dynamics and International Competitiveness in Africa</b>	111
<b>5</b>	<b>Banking on Africa: Can Emerging Pan-African Banks Outcompete Their Global Rivals?</b>	113
	<i>Ifedapo Adeleye, Franklin Ngwu, Nkemdilim Iheanachor, Ebes Esho, Chijioko Oji, Theresa Onaji-Benson, and Chris Ogbechie</i>	
<b>6</b>	<b>Enhancing Hospitality and Tourism Industry Competitiveness in Sub-Saharan Africa</b>	137
	<i>Adun Okupe, Trevor Ward, and Ogechi Adeola</i>	
<b>7</b>	<b>Measuring Agribusiness Competitiveness: An Application to African Countries</b>	169
	<i>Suresh Chandra Babu and Mahika Shishodia</i>	
<b>8</b>	<b>Why Are So Many African Companies Uncompetitive on the Global Stage? Insights from the Global Airline Industry</b>	195
	<i>Joseph Amankwah-Amoah</i>	
<b>Part III</b>	<b>Human Capital and International Competitiveness in Africa</b>	217
<b>9</b>	<b>Human Capital, Innovation and International Competitiveness in Sub-Saharan Africa</b>	219
	<i>Yaw A. Debrah, Raphael Oriaghe Oseghale, and Kweku Adams</i>	
<b>10</b>	<b>Improving Africa's Competitiveness Through Knowledge Transfer: Lessons from Partnerships with China and the Way Forward</b>	249
	<i>Abdoulkadre Ado</i>	

<b>Part IV</b>	<b>Cases on the Global Competitiveness of Africa's Economic Powerhouses</b>	285
<b>11</b>	<b>Nigeria: Oil and Competitiveness</b> <i>Doyin Salami, Malcolm Fabiyi, and Ifedapo Adeleye</i>	287
<b>12</b>	<b>The South African Renewable Energy Cluster</b> <i>Mark Esposito, Months Raut, Laura Lanzoni Broccoli, Nasma Harrachi, Yann Claudel, Yang Yang, and Melina Balliard</i>	303
<b>13</b>	<b>Kenya's Blooming Flower Industry: Enhancing Global Competitiveness</b> <i>Ogechi Adeola, Abel Kinoti Meru, and Mary Wanjiru Kinoti</i>	331
<b>14</b>	<b>Poultry Tariffs in South Africa: Levelling the Playing Field or Rewarding Inefficiency?</b> <i>Jacklynne Hobbs, Peter Draper, and Claire Beswick</i>	351
<b>Index</b>		387

## Notes on Contributors

**George Acheampong** teaches entrepreneurship, international business and marketing at the University of Ghana, Pentecost University College, Ghana and Methodist University College, Ghana. He is a doctoral advisor at the Nobel International Business School. He holds a PhD from the University of Ghana after completing coursework at the University of Copenhagen. George is a past DANIDA Scholar. He has held fellowships at the UNU-WIDER and DERG University of Copenhagen. His research interests are in how enterprise can lead to development in Africa utilizing market-based approaches. He is a member of the following professional bodies: the Academy of Management (AoM), Africa Academy of Management (AFAM), International Academy of African Business and Development (IAABD) and the International Network of Social Network Analyst (INSNA).

**Kweku Adams** is a senior lecturer in Management at the York Business School (YBS), York St. John University, UK. He obtained his PhD from the University of Wales Swansea in the United Kingdom. He is the MSc Pathway Course Leader for International Business, Marketing and Management specialist programmes at the YBS. Prior to joining the York Business School in 2016, Dr. Adams held academic positions in North America, at the Haskayne School of Business, University of Calgary and the University of Lethbridge School of Management, Canada. His research interests centre on business strategy and international business, specifically the management of headquarters—subsidiary relations, investigating the wider governance challenges facing multinational corporations. His work has appeared in the *Journal of International Management* and *Thunderbird International Business Review*.

**Ifedapo Adeleye** is a lecturer in Management and Global Business at Haslam College of Business, University of Tennessee, USA. Prior to joining Haslam in 2016, he was on the faculty at Lagos Business School, Nigeria, for nearly a decade. Dapo is a passionate management educator, and a global business enthusiast. His research revolves around three broad areas: international strategy and organization, strategic human resources management, and corporate sustainability. Dapo has published 3 books, 15 book chapters and 12 articles in academic and practitioner journals. He is the Founding Editor of the Palgrave Macmillan Business in Africa Series, and has guest-edited a special issue of *Thunderbird International Business Review* on Africa. He received his PhD in Management from The University of Manchester, UK.

**Ogechi Adeola** teaches Marketing Management at Lagos Business School, Nigeria. She holds a doctorate in Business Administration (DBA) and an MBA from Manchester Business School, UK and a law degree from University of Nigeria. She has been a guest speaker and discussant at local and international conferences, including the Lagos Chamber of Commerce and Industry (LCCI) business clinic, West African Power Industry Convention (WAPIC) and the Yale Africa-China Conference. She has published academic papers in top scholarly journals. In April 2016, her research work won the Best Paper Award at the Australia-Middle East Conference on Business and Social Sciences (AMECBSS) held in Dubai, UAE. Adeola currently serves as Associate Dean, Business Administration at the University of the People, an accredited online institution, headquartered in Pasadena, California, USA.

**Abdoulkadre Ado** attended universities in Africa, Asia, and North America and is a specialist focusing on emerging markets and south-south cooperation. His research is on Africa and its partnerships with emerging powers like China. He has research and teaching experience at Canada's leading universities including University of Ottawa, Laval University, and Ryerson University of Toronto. He is also a researcher and consultant in international business at the Jarislowsky Chair of Laval University. He was also a visiting researcher to UN Headquarters in New York, at the office of the special adviser of the Secretary General on Africa. His academic and professional experiences expand to more than 30 countries in all continents. He has received the most prestigious doctoral distinction, the Vanier title, from the Federal Government of Canada.

**Joseph Amankwah-Amoah** is an associate professor (reader) of International Business at University of Kent. His research interests are anchored in core topics of strategy and international business specifically global business strategy,

international divestment, entrepreneurship (business failure), and lateral hiring in emerging markets. He currently serves as co-editor of the *Cogent Business & Management* journal and sits on the editorial boards of many journals, including *Thunderbird International Business Review*, *Critical Perspectives on International Business*, *Journal of African Business* and *International Journal of Multinational Corporation Strategy*. He has published over 100 articles in refereed academic journals, conference proceedings and book chapters, including *Technological Forecasting and Social Change*, *Industrial and Corporate Change*, *International Journal of Human Resource Management*, *Business History*, *Group and Organization Management*, and *Journal of Business Research*.

**Suresh Chandra Babu** is a senior research fellow and Head of Capacity Strengthening Program at the International Food Policy Research Institute, Washington, D.C. Before joining IFPRI in 1992, he was a research economist at Cornell University, and he also spent five years in Malawi, in various academic and advisory capacities. He currently conducts research on issues related to capacity development including economic analysis of extension and advisory services; understanding policy process; and institutional innovations for agricultural transformation. He has published more than 16 books and monographs and 80 peer reviewed journal papers. He has been on the advisory board of World Agricultural Forum. Dr. Babu was educated at agricultural universities in Tamil Nadu, India (B.S and M.S.) and at Iowa State University (M.S. and Ph.D Economics).

**Claire Beswick** heads up the Case Centre at the University of the Witwatersrand Graduate School of Business Administration, having joined the institution as a case writer in September 2001. She has more than 20 years' experience in research and writing: as a researcher at the South African Institute for Race Relations, a journalist, and now at the WBS Case Centre. In her position at the head of the case centre, Claire has written a wide range of cases herself and overseen the writing of most of the cases that are currently in the collection. Her co-authored case, Calum McCracken and NGN Telecoms received the Emerald Emerging Market Case Studies Award for the Best Teaching Case at the 2015 Academy of International Business Sub-Saharan Africa conference.

**Nathaniel Boso** is an Associate Professor in Marketing at Leeds University Business School in the United Kingdom (UK). His research focuses on the interface between international entrepreneurship, innovation and marketing management. His research has won multiple awards and has been published in leading scholarly journals such as the *Journal of Business Venturing*, *Journal of*

*Product Innovation Management*, *Journal of Business Ethics* and *Journal of International Marketing*. He sits on the editorial review board of *International Marketing Review* as an associate editor and has guest edited several journals and books on international business in Africa. He received his PhD from Loughborough University in 2011, and is a professional chartered marketer at the Chartered Instituting of Marketing, UK.

**Obi Berko Damoah** is a senior lecturer at the University of Ghana Business School, Accra, Ghana and a visiting lecturer at the China Europe International Business School (CEIBS), Accra, Ghana. He holds an MPhil and MBA degree from the University of Ghana and the Maastricht School of Management, the Netherlands, respectively, and a PhD from the Cardiff Metropolitan University, Wales, UK. Dr. Damoah teaches and researches in international business and strategy. He is a member of the following professional bodies: the Academy of management (AoM), USA, Academy of International Business (USA), British Academy of Management (BAM), Africa Academy of Management (AFAM) and the Academy of International Business sub-Saharan Africa (AIB-SSA).

**Yaw A. Debrah** (BA, MA, Simon Fraser University, Canada; PhD, Warwick University, UK; GIPM, UK) is professor of human resource and international management at the Swansea University, UK. His scholarly work has appeared in journals such as *International Journal of Human Resource Management*, *Journal of World Business*, *World Development*, *Journal of International Management*, *International Marketing Review*, *Asia Pacific Journal of Management*, *Asia-Pacific Business Review*, and *Thunderbird International Business Review*. Yaw is on the editorial board of the *International Journal of Human Resource Management*, *Ghana Policy Review*, *African Journal of Economic and Management Studies*, and *Scientific Journal of Administrative Development*. He has consulted for many organisations including Singapore Telecom, Commonwealth Secretariat and ILO. Yaw has also acted as an external assessor and consultants to many African universities.

**Peter Draper** is senior research fellow in the Economic Diplomacy programme at the South African Institute of International Affairs. His expertise is in trade and investment policy and negotiations, and international business regulation, with specific reference to South and Southern Africa and their relations with the US, EU, China and India and the World Trade Organization. His other domestic affiliations are: adjunct professor at Wits Business School; senior consultant to the India, Brazil, and South Africa think tank consortium at the Centre for Development and Enterprise; and research associate of the Department of

Political Science at the University of Pretoria. He holds a Master of Commerce degree from the University of Natal (now University of KwaZulu-Natal).

**Ebes Esho** is a lecturer in the department of business management at Covenant University. She has a first degree in accountancy from the University of Nigeria, Nsukka, and an MBA and a PhD from the Lagos Business School. Her areas of research interest broadly include understanding the role of human capital and strategic factor markets in shaping entrepreneurship and firm performance. Prior to entering academia, she worked in various arms of the treasury department, domestic operations and internal control units of Zenith Bank Plc and United Bank for Africa (UBA). Ebes has consulted widely for firms in various industries in Nigeria and many World Bank assisted projects.

**Mark Esposito** is Professor of Business & Economics at Hult International Business School and a member of the teaching faculty at Harvard University's Division of Continuing Education, where he equally serves as Institutes Council Co-Leader for the Microeconomics of Competitiveness Program at Harvard Business School. He is an appointed fellow of the Mohammed Bin Rashid School of Government in Dubai as well at the Global Federation of Competitiveness Councils, Washington DC. He equally holds a research fellowship at the Judge Business School, University of Cambridge, UK.

Esposito consults in the area of corporate sustainability and competitiveness worldwide, including for startups, boards of directors, communities and national governments. He has advised the President of the European Parliament and is part of the "Future of Production" network at the World Economic Forum, where he was also appointed as Global Expert. He has co-founded Nexus Frontier Tech, an Artificial Intelligence Studio, based out of Boston, London and Tokyo.

Esposito was named one of the emerging tomorrow's thought leaders most likely to reinvent capitalism by Thinkers50, the world's premier ranking of management thinkers, and was inducted into the "Radar" of the 30 most influential thinkers, on the rise. He is the co-author of the bestseller *Understanding How the Future Unfolds: Using DRIVE to Harness the Power of Today's Megatrends*. He holds a Ph.D. in Business and Economics from the International School of Management in Paris/New York.

**Malcolm Fabiyi** is president of Hydromantis, Inc. He holds a First Class Honors Degree in Chemical Engineering from University of Lagos, a PhD degree also in Chemical Engineering from University of Cambridge, and an MBA from the University of Chicago Booth School of Business. Dr. Fabiyi

worked with McKinsey & Company as a strategy consultant serving customers across Africa in the food & beverage, fast moving consumer goods (FMCG), utilities, banking and retail markets. He served on the faculty of Lagos Business School as a visiting professor. He is widely published and was a contributing author to the book *Advances in Decision Making Under Risk & Uncertainty* (Springer, 2008). Dr. Fabiyi is a prolific contributor and commentator on Nigerian socio-political and economic matters.

**Fatou Gueye** is professor of Economics at the University Cheikh Anta Diop (Dakar, Senegal). She has been actively involved in research work on the informal sector in West and Central Africa, undertaken by CREA/Cheikh Anta Diop University for more than 12 years now. She has also conducted research on various topics of development.

**Jacklynne Hobbs** is a freelance writer who reports on business, development and environmental matters and forms part of the freelance staff of the Case Centre at the Graduate School of Business Administration of the University of the Witwatersrand in Johannesburg, South Africa. In addition to this case on poultry tariffs, she has co-authored cases on South Africa's economic policy as espoused in the National Development Plan and on options for ensuring industrial peace in South Africa's fractured labour relations environment.

**Nkemdilim Iheanachor** is a doctoral scholar in International Strategy at Lagos Business School, Nigeria. He has a Bachelor's degree in Electrical/Electronic Engineering and an MBA from the Lagos Business School. He has had prior experience in banking as a relationship manager in the Multilateral, Conglomerates and Private Banking Group of Zenith Bank, as an investment banker where he was involved in project finance, mergers and acquisitions and financial advisory and as a consultant where he was involved in advisory engagements for state governments, large multinationals and local corporates. Nkemdilim has extensively consulted for companies in the area of corporate strategy development, competitive strategy development and blue ocean strategy development.

**Abel Kinoti Meru** is the founding dean and associate professor at Riarua University School of Business, Kenya, and also founding chair of Academy of International Business Sub-Saharan Africa Chapter. His teaching and research interests are in the areas of innovation and business incubation, social entrepreneurship and marketing. He holds a doctorate degree in Commerce from Nelson Mandela Metropolitan University, South Africa, an MBA (Marketing) and Bachelor of Commerce (Accounting) degrees. He is the author of two books:

*Business Incubation and Business Development in Kenya* (LAP) and *The Changing Dynamics of International Business in Africa* (Palgrave Macmillan). He has also contributed a section to *Public Budgeting in Africa Nations* (Routledge), and published in several local and international peer-reviewed journals.

**Mary Wanjiru Kinoti** is the associate dean of graduate studies at the School of Business, University of Nairobi, East Africa's leading university. Mary holds a PhD in Business Administration from the University of Nairobi, and an MBA (Marketing) and Bachelor of Commerce degree. She is a member of Marketing Society of Kenya, Kenya Institute of Management and the Academy of International Business Sub-Saharan Africa Chapter. Mary has consulted for SMES, public, and private organizations in Kenya. Her research interests include green marketing and sustainable development, women and youth in entrepreneurship development, and entrepreneurship and socio-economic development. She recently contributed two sections to the books *Climate Change and the 2030 Corporate Agenda for Sustainable Development* (Emerald) and *Women Empowerment through Government-Loaned Entrepreneurship Teams* (Edgar).

**Ahmadou Aly Mbaye** is professor of Economics and director of the Laboratoire d'Analyse des Politiques de Développement (LAPD) at the Université Cheikh Anta Diop in Dakar, Senegal. He has published extensively on economic development issues in West Africa, including international trade, employment, education and entrepreneurship. He is the co-author of *The Informal Sector in Francophone Africa: Firm Size, Productivity, and Institutions*, a pioneering study on the measurement and analysis of the informal sector in several West African countries, published by the World Bank.

**Franklin N. Ngwu** is a senior lecturer in Strategy, Finance and Risk Management at Lagos Business School, Pan-Atlantic University, Nigeria. He completed his PhD in Law and Economics at University of Manchester, UK. He has over 15 years of experience in teaching, private sector, policy research and consulting both in Nigeria and UK. He worked in Barclays Bank UK for over five years and has lectured at Glasgow Caledonian, Salford, and Manchester universities in the UK. He has multidisciplinary teaching and research interests, including business strategy and management, financial services risk management and regulation, corporate governance and responsibility, law and development economics. He is the author/editor of the corporate governance handbook titled *Corporate Governance in Developing and Emerging Markets* (Routledge, 2016).

**Chris Ogbechie** is professor of Strategic Management at Lagos Business School (LBS), Nigeria. He teaches strategy, sustainability and corporate governance at the LBS and Strathmore Business School, Kenya. His research interests are in strategy in turbulent environments, strategic leadership, board effectiveness, and sustainability. He obtained a first class honours degree in Mechanical Engineering and an MBA from the University of Manchester and a PhD from Brunel University, UK. He has extensive experience in international business, derived from his work as a marketing/sales executive at Nestlé in Nigeria, Singapore, Malaysia, and Switzerland, and from his consulting work with Nigerian, Ghanaian, and Kenyan firms. Ogbechie has published widely in international journals and has developed several teaching cases, some of which have received international awards.

**Chijioke Oji** is a postdoctoral fellow at the School of Environment Enterprise and Economic Development at the University of Waterloo, Canada and a visiting scholar at Cornell University, New York, USA. His expertise is in the business and policy aspects of clean energy finance and environmental sustainability. Chijioke has consulted to governments, private sector enterprises and civil international organizations on infrastructure development and issues on local economic development including financial inclusion, financing sustainable energy and developing lending programs to bridge financing gaps and address market failures. Chijioke has an MBA in Strategic Management and a PhD in International Business, both from Wits Business School, Johannesburg, South Africa.

**Adun Okupe** has over ten years' business advisory and research experience. She has worked on several business advisory projects in sub-Saharan Africa with a focus on business development, destination development and management, investment analysis and market feasibility studies. Her research interests explore the role of the private sector in the sustainable development of Africa, with a focus on the sustainable development of the domestic tourism industry in Africa. She has worked with the KPMG London, the World Travel & Tourism Council, W Hospitality Group and Lagos Business School. She is the director of the Africa Tourism Institute.

**Theresa Onaji-Benson** is a doctoral candidate and research assistant at the Gordon Institute of Business Science, University of Pretoria. She also lectures at the Federal University Lafia, Nigeria. Tess has financial industry experience from the Royal Bank of Scotland in the UK, Ecobank and Guaranty Trust Bank in Nigeria. She received her MSc from the University of Essex, UK and her BSc from Ahmadu Bello University, Zaria, Nigeria. Theresa's research interests strad-

dle the fields of International business and Strategy, with particular interests in non-market strategies, emerging market multinationals and sub-Saharan Africa. She is a founding member and treasurer of the Academy of International Business (AIB) Sub-Saharan Africa chapter.

**Oriaghe Raphael Oseghale** completed his PhD in business management at Swansea University in 2016. Raphael conducted his doctoral research on talent management in multinational companies in the Nigerian oil and gas industry. He is currently working with the Talent Bank, Swansea University as an associate. His research interests centers on talent management, university-industry partnerships, specifically the management of industry and university relationships for talent development and institutional entrepreneurship.

**Joseph Parilla** is a fellow at the Brookings Institution's Metropolitan Policy Program. His work focuses on improving the economic competitiveness of US and international cities and metropolitan areas. Joseph is the lead researcher on Brookings' Global Cities Initiative, a five-year project that aims to equip city and metropolitan area leaders with the practical knowledge, policy ideas, and networks they need to become more globally connected and competitive. He holds degrees in public policy from Georgetown University's McCourt School of Public Policy and economics and geography from Macalester College.

**Doyin Salami** is a senior fellow in economics at Lagos Business School. A doctoral degree graduate of Queen Mary College, University of London, he is also an executive director of the UK-based African Business Research. Dr. Salami's research interests include: issues in corporate long-term financial management; macroeconomic policy; corporate competitiveness and risk management; and characteristics of small and medium enterprises (SMEs). In addition to teaching, Doyin is a consultant. His consulting activities have included assignments for the Department for International Development (DFID), World Bank, United Nations Industrial Development Organisation (UNIDO), and United States Agency for International Development (USAID). He is a member of the Monetary Policy Committee of the Central Bank of Nigeria and had been a member of the Federal Government's Economic Management Team.

**Mahika Shishodia** is a senior research assistant in the Director General Office of International Food Policy Research Institute (IFPRI). She has a bachelors in Economics (Honors) from Delhi University and a Master in Public Administration from LSE, with a specialization in applied econometrics. Mahika was the recipient of the LSE Masters Award for both years of her postgraduate degree. Prior to

IFPRI, she was a research analyst at Oxford Policy Management, helping in the monitoring and evaluation of health and nutrition projects in rural India. In particular, she worked on the roll out of a DFID-funded conditional cash transfer pilot in Bihar to improve health outcomes of pregnant women and children. Her research interests include, food security, agriculture, and nutrition.

**Jesus Leal Trujillo** is a senior consultant at Deloitte. Prior to joining Deloitte, he worked as a research analyst at the Brookings Institution's Metropolitan Policy Program. Prior to that, he worked for the Ministry of Social Development in Mexico City where he specialized in poverty alleviation programs. He received his bachelor's degree in Political Science from the Center for Research and Teaching in Economics (CIDE) and a master's in public policy and management from Carnegie Mellon University.

**Trevor Ward** is a specialist consultant in the hospitality, tourism and real estate industries. He is the principal of the Lagos-based W Hospitality Group, and chairman of Hotel Partners Africa. His experience includes advising clients on hotel and tourism development in over 90 countries across the globe. With a special focus on sub-Saharan Africa, he works with many of the international hotel groups seeking a presence there. He is regarded as the foremost expert on the hotel industry in sub-Saharan Africa, and is engaged primarily in development consultancy, ranging from investment appraisals to operator selection, asset management, valuations, financing, development management, procurement and agency. As well as project appraisal expertise, he has worked on tourism planning projects in Central and Eastern Europe and South America.

**Melina Balliard** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

**Laura L. Broccoli** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

**Yann Claudel** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

**Nasma Harrachi** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

**Months Raut** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

**Yang Yang** are graduates of the Master in International Business Program at Grenoble Ecole de Management, France. They developed *The South African Renewable Energy Cluster* (Chap. 12) with Professor Mark Esposito of the Grenoble Lab-Center for Competitiveness, a research centre affiliated with the Microeconomics of Competitiveness Program at Harvard Business School, and one the largest producers of cluster-based case studies in the world.

# List of Figures

Fig. 2.1	Evolution of the exchange rate in the two regions. Source: IMF, 2016 and authors' calculations	31
Fig. 4.1	Real output growth, CAGR, 2000–2014. Source: Authors' analysis of Oxford Economics data	86
Fig. 4.2	Real GDP per capita growth, CAGR, 2000–2014. Source: Authors' analysis of Oxford Economics data	87
Fig. 4.3	Total greenfield FDI, 2009–2015, USD million. Source: Authors' analysis of FDI intelligence data	91
Fig. 4.4	Patents per 10,000 workers, 2008–2012. Source: Authors' analysis of OECD REGPAT data	94
Fig. 7.1	Competitiveness and structural transformation. Source: Authors compilation	174
Fig. 8.1	A framework of firm performance in the global marketplace	201
Fig. 10.1	Partner and knowledge choice: smiling curve analysis	266
Fig. 10.2	Interconnected African knowledge-sharing map	276
Fig. 10.3	Knowledge transfer: policy and strategy formulation framework	277
Fig. 11.1	Foreign direct investment net inflows into Nigeria: 1990–2014. Source: World Bank	300
Fig. 12.1	South Africa's business environment	312
Fig. 12.2	South Africa's renewable energy cluster	316
Fig. 12.3	Cluster diamond	319

**xxx**      **List of Figures**

Fig. 13.1	Flower export values 2007 to 2016. Source: Kenya Flower Council (2017). *101 shillings = 1 dollar	335
Fig. 13.2	Flower export volumes 2007 to 2016. Source: Kenya Flower Council (2017)	336
Fig. 13.3	Flower exports by destination 2015. Source: Kenya Flower Council	336
Fig. 14.1	Market Share of Chicken Meat Imports, 1990–2005. Source: Coetzee, Meyer, and De Beer (2007)	356

# List of Tables

Table 2.1	Business setup procedures and taxation in selected francophone African countries	33
Table 2.2	Governance indicators in francophone African countries	34
Table 2.3	Population growth rate (annual average), 2010–2015	35
Table 2.4	Rate of participation by gender in selected countries	35
Table 2.5	Share of Value-Added contributed by informal businesses in the different sector in selected francophone countries (2015)	38
Table 2.6	Proportion of firms by sector (%)	39
Table 2.7	Imports of petroleum items in Benin (2009)	42
Table 2.8	Proportion of firm access to infrastructural services	44
Table 2.9	Estimation of productivity models	46
Table 3.1	Summary statistics	68
Table 3.2	City competitiveness and resources	69
Table 3.3	Regression estimates of city effects	70
Table 3.4	Decomposition estimates of city effects	74
Table 4.1	Key indicators for the Gauteng City-Region and global peer metro areas	84
Table 4.2	Gauteng City-Region's industrial structure, 2014	89
Table 4.3	Greenfield FDI by industry, 2009–2015	91
Table 4.4	Logistics performance index rank, 2014	97
Table 5.1	Key historical developments in African banking	116
Table 5.2	List of leading cross-border banks in Africa	123

Table 6.1	Ranking and scores—2017 TTCI report	144
Table 6.2	Relevant tourism indices—Burundi	145
Table 6.3	Relevant tourism indices—Cameroon	146
Table 6.4	Relevant tourism indices—The Gambia	146
Table 6.5	Relevant tourism indices—Kenya	147
Table 6.6	Relevant tourism indices—Nigeria	148
Table 6.7	Relevant tourism indices—Uganda	149
Table 6.8	Relevant tourism indices—South Africa	150
Table 6.9	Relevant tourism indices—Zimbabwe	150
Table 6.10	Comparative analysis: infrastructure development	153
Table 7.1	Measuring agribusiness competitiveness in Africa	182
Table 7.2	Measures of agribusiness competitiveness among African countries	183
Table 8.1	Airline alliances groupings and features	208
Table 9.1	Global HCI and global competitiveness scores and ranking	221
Table 10.1	Profiles of the interviewees	257
Table 11.1	Nigeria's global competitiveness index ranking (2006–2016)	288
Table 14.1	Import volumes for the broiler products listed in the poultry association's application for tariff increases, 2008–2012	352
Table 14.2	Tariffs requested by the poultry association	358
Table 14.3	Market share (frozen whole birds) of allegedly dumped products and applicants in the 2011 anti-dumping action against Brazilian imports, 2008–2010	367
Table 14.4	Market share (frozen boneless cuts) of allegedly dumped products and applicants in the 2011 anti-dumping action against Brazilian imports, 2008–2010	368
Table 14.5	Market share for exporters of leg quarters to South Africa, 1998–2002	371