



Ebony Policy Note 2021-1

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Create Regional Growth Nodes¹

One of the most obvious impediments to economic development across sub-Saharan Africa is the extreme degree of political and economic centralization in major cities. This centralization, an enduring legacy of colonialism, reminds us that authoritarian tendencies, though perhaps weakened, remain intact. Governing and economic policy remain a “state-owned monopoly” over ideas, over economic activities, and over manipulation of loyalty to a single source of power. Those individuals living in rural areas are invisible and politically irrelevant.

This centralization is surprising in light of the fact that across the Continent, the rural population approaches 60 percent of the total. In South Sudan, over 80 percent of the population lives in rural areas. These are obvious relics of the surplus extraction that characterizes African colonialism. But in the rest of Africa, governance and economic control reside in a single location. This unitary structure is both the result and the cause of persistent economic dysfunction.

South Sudan is an extreme example of Africa’s “notional states.” They are *notional* because of the absence of a clear connection between their scattered populations and the necessary processes of governance. This contrast of centralization amid scattered citizens explains why it is so difficult to bring individuals into meaningful collaboration with their government. But it is worse than mere geography.

Governance is, by definition, a collaborative endeavor. Citizens contribute something to their government, and that government, in return, bestows plausible public goods and services on the scattered populace—decent roads, health clinics, agricultural information and assistance, reliable and safe drinking water, etc. But the extension of those services must be predicated on the payment of taxes—no matter how small—by the citizens who will thereby benefit from that exchange. It is called the “tax bargain.”

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In the absence of a tax bargain, those who pay nothing to the central government live in a state of autonomy. They are *in* a particular nation, but they are not *of* that nation. The central government, receiving nothing from them in the way of tax proceeds, is thereby free to ignore them—at least until an election looms. And then the gift-giving starts. Economic development requires the end of the *gift economy*.

It will be claimed that it is unreasonable to expect poor farmers and pastoralists to pay taxes. To this claim, the best response is to ask exactly what instrument or condition might give a central government a clear interest in the economic success of their citizens. The obvious answer is that governments benefit when citizens begin to enjoy increased personal income.

Governments benefit from the economic success of households because under a smart taxing regime, government revenues increase along with household incomes. Suddenly we see that taxation of income gives central governments a strong incentive to create conditions whereby the citizenry will prosper. Both parties thereby gain.

Creation of a functional taxing regime in South Sudan is unlikely at this time, but its day must come. In the meantime, another option gives hope for improved economic performance. Recall that the central challenge here is to forge a tighter bond between the interests of South Sudan's government and the interests of the scattered population. The most obvious answer is *to take government—and governance—to the people*. And this is what the SPLM was essentially calling for – *take towns to the people* – at the end of the protracted war with Northern Sudan.

The capitals of the ten South Sudanese states must be designated as *Regional Growth Nodes*. This devolution of economic and political importance represents a profound first step in integrating the scattered population into a coherent whole. Each Regional Growth Node would become the center of the national government's presence at the local level. That governmental presence must bring staffing and financial resources to bear on the most serious of current afflictions. Table 1 lists data comparing the setting in South Sudan vis-à-vis the other 42 countries of Africa.

Immediate attention must be focused on water and sanitation deficiencies. And of course, these problems then manifest themselves in a variety of public health outcomes—death rates, female and male life expectancy, maternal mortality, under-5 infant mortality, and low school attendance. These will vary by region and programs can thus be modified to suit local conditions. Major deficiencies in public health and sanitation lead to seriously degraded life prospects, and then abysmal school attendance of the young. A focused program to bring governmental attention to the local level would go far in starting to ameliorate the defective life prospects of so many rural residents of South Sudan. Regional officials would bring decision makers closer to the affected problems. These circumstances are known to be of great interest to the international donor community and it is therefore reasonable to expect that financial assistance for such activities might be available.

Table 1. Selected Social Indicators (average of 2015-2017)

	South Sudan	Rest of Sub-
Percent Rural Population	80.9	57.5
Percent of Rural Population Practicing Open Defecation	75.4	23.2
Percent of Rural Population Without Drinking Water Services	64.3	50.7
Percent of Rural Population Without Basic Sanitation Services	95.0	75.4
Birth Rate (Per 1,000 People)	35.7	35.1
Death Rate (Per 1,000 People)	10.7	8.8
Female Life Expectancy	58.6	62.8
Male Life Expectancy	55.6	59.2
Lifetime Risk of Maternal Mortality (percent)	5.4	2.4
Maternal Mortality Rate (per 100,000 live births)	1,130.0	482.9
Under-5 Mortality Rate (per 1,000 live births)	98.6	73.8
Children Out of School (% of Primary School Age)	62.4	17.6
Female Children Out of School (% of Female Primary School Age)	67.3	19.3
Male Children Out of School (% of Male Primary School Age)	57.6	17.3

Source: World Development Indicators

A second necessity for a regional office in the capital cities of the ten states would be an emphasis on rehabilitating the agricultural sector. The state of agriculture in South Sudan is the most severe impediment to future livelihoods and sustainable peace. We see in Table 2 that agriculture is a primary occupation of women (and therefore children). We also see that annual growth rates in agricultural value added over the period 2015-2017 is actually negative.

Table 2. Agriculture in South Sudan (average of 2015-2017)

	South	Rest of Sub-Saharan
Agriculture as Percent of GDP	11.7	22.0
Rural population as Share of Total	81.0	57.0
Annual Growth in Agricultural Value Added	- 6.3 %	3.4 %
Agricultural Employment (percent of total)	47.6	52.7
Percent of Female Employment Engaged in Agriculture	60.6	54.2
Percent of Male Employment Engaged in Agriculture	35.5	51.8

Source: World Development Indicators

Therefore, the second major programmatic themes of these regional growth nodes must be to bring agricultural expertise to pastoralists and farmers. A local office of agricultural development would complement local emphases on water and sanitation, public health, and education. The agricultural office would provide technical assistance on obtaining investment credit and production credit. Many individuals will need assistance in completing forms and legal documents. In addition, there should be professional staff on duty to provide initial assistance in: (1) agricultural extension; (2) veterinary services; (3) farm business management; and (4) agricultural marketing. These local offices should also play an important role in arranging and conducting educational training programs.