



With breaking stories and  
newswire products from

# UN NEWS CENTRE



## **African governments can be catalysts for economic transformation – UN report**



Economic Commission for Africa (ECA) Headquarters in Addis Ababa, Ethiopia

28 December 2010 – Governments in Africa can facilitate economic transformation and sustainable development through policies that give incentives to businesses and industry to thrive, according to a preview released today of a forthcoming joint report by the United Nations and the African Union.

The Economic Report on Africa (ERA), the annual publication of the UN Economic Commission for Africa (ECA) and AU, examines the record of States in promoting development in Africa, gives concrete success stories from the continent and elsewhere, and recommend actions for promoting economic development.

Evidence from Asia and the developed world provides the basis for the thematic focus on the role of governments in managing development, [according](#) to Emmanuel Nnadozie, the Director of ECA's Economic Development and New Partnership for Africa's Development (NEPAD) Division.

He said the transformation of China into a global economic power, India's resurgence and the recent interventionist policies of Western governments in addressing the impact of the global crisis have refocused attention on the role of the state in development.

“It is now well-known that the state has played and continues to play a key role in the Chinese economic miracle and even those of Japan, Taiwan and South Korea before it,” said Mr. Nnadozie.

He noted that there was ample evidence that governments in East Asia used incentives, controls and mechanisms to spread risk to enable them to guide the market processes of resource allocation.

A draft of the report was recently reviewed by experts from reputable institutions from around the world in the Ethiopian capital, Addis Ababa, where both the ECA and the AU are based. Speaking on behalf of the AU Commission during the review, Victoria Egbetayo, AU’s policy officer, noted that while Africa has been steadily growing economically, it requires a major transformation for its people to benefit significantly.

She said the role of states needs to be enhanced to foster that economic and social transformation, correct market imbalances and improve domestic resource mobilization and the promotion of environmental sustainability.

News Tracker: past stories on this issue

[Domestic resources and diversification key to economic growth in Africa – UN](#)