Governance, Entrepreneurship and Inclusive Development

Background

The African continent continues to face numerous challenges, including poverty. Although governance and entrepreneurial bright spots have emerged in some countries in recent times, these are mainly correlated to the vagaries of commodity prices. While some African countries have been dramatized as embryos of African economic resurgence, the goal of more inclusive development for larger sections of the population, even in the 'miracle' states, remains doubtful. At a continent-wide level, the gap between rich and poor continues to widen. Despite its numerous negatives, Africa, which has the fastest rising population in the world, is increasingly seen as the market of the future. With the emergence of more high economic growth nations in Asia and Latin America, the pressure on Africa’s natural resources is increasing. Exemplary of this trend is that many African countries have now started selling their land, a finite resource, to other countries, despite the fact that the majority of countries with food security issues in the world are in Africa. This land is destined for investments outside food production and consequently could reduce the size of arable area.

Entrepreneurs and governments of developed and emerging countries have also spotted the potentials of Africa as a market. The emergence of new (digital) technologies, spreading throughout the continent, is also changing the way business is done. These market and technology developments have not only opened the flood gate of foreign economic activities in the continent, but have also spurred a new generation of African entrepreneurs. The influx has spared no section of the African economy. Chinese labour, for instance, is now actively engaged in diverse, small-scale businesses and trading in several countries in the continent. At another level, some Western governments also subsidize the activities of their home country multinational businesses operating in the African continent. African entrepreneurs have also jumped on the bandwagon of the scramble for African economic space. An striking example of an African multinational business in Africa is the Dangote Group, which has exploited its 'cultural capital' to expand its business across several countries. Small- and medium-sized African enterprises, sometimes with the help of new technologies, have also joined.

Despite the potentials of Africa for diverse stakeholders, the need to promote inclusive development is central to sustainable profitability of the African economic space. Many entrepreneurs in the continent are realizing that inclusive development is crucial to their long-term interests.
**Goal and activities**

The main objective of this Collaborative Research Group is to explore the interrelationship between governance, entrepreneurship and inclusive development. Emphasis will be on developing programmes and research projects that will aid our understanding of the roles, challenges and strategies of the diverse economic stakeholders and businesses that operate in the continent and the implications of these for (economic) governance for inclusive development, at the entrepreneurial level (the business model) and in terms of securing a conducive business environment that allows entrepreneurs to flourish.

In order to achieve these objectives, this CRG will, among other things, engage diverse stakeholders – e.g. regulators, regional economic groups, multinational financial institutions and organizations, entrepreneurs, innovators, (retired) diplomats and business executives, as well as representatives of trade missions – in our seminars, discussion groups and research activities. Given the interdisciplinary nature of the activities of this CRG, joint research projects and publications will be encouraged.