

**PERSPECTIVES ON ECONOMIC DEVELOPMENT IN THE 21ST CENTURY
Criteria for Success in Madagascar**

Institut Français de Madagascar
Antananarivo
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CONFERENCE REPORT

ISCAM and Groupe SOCOTA, in partnership with the Institut Français de Madagascar, convened a conference in February 2015 entitled *Perspectives on economic development in the 21st century: Criteria for success in Madagascar*. The event built on a previous conference entitled *Madagascar's perspectives in a world in transformation*, which was held at the Institut Français in Antananarivo in January 2014. While the first conference sought to draw on successful Asian developmental experiences in order to elaborate a set of proposals regarding Madagascar's global integration and economic take-off, the discussions in 2015 focused primarily on the island's internal constraints to sustained growth and human development.¹

With poverty-stricken Madagascar confronted with an unprecedented youth bulge, the conference laid considerable emphasis on the aspirations and capabilities of young Malagasy men and women in the development process. The outcome included a set of recommendations for the next generation to help steer their nation towards prosperity.

The event was also a call for action. A word that surfaced as a recurrent theme in the discussions was responsibility – from the higher to lower echelons of society. Underdevelopment in Madagascar, the state of vulnerability in which most inhabitants live, is at odds with the plentiful resources the island is endowed with. The nation's diverse communities must endeavour to take control of their destiny and build a common future while finding a place in the modern world economy.



¹ The full 2014 conference report is available at:
<http://www.imd.org/uupload/webToolWWW/5345/Document/Madagascar's%20Perspectives%20in%20a%20World%20in%20Transformation.pdf>
A summary of the report is also available in French at: http://www.groupesocota.com/pressbook/Madagascar's%20Perspectives_FR.pdf

THE CONTEXT

Madagascar has not realised its economic take-off. Over 90 percent of its citizens live in poverty and three-quarters are estimated to live in extreme poverty. With the exception of war-torn nations and countries in post-conflict reconstruction, these are amongst the highest levels of subsistence and destitution in the world.

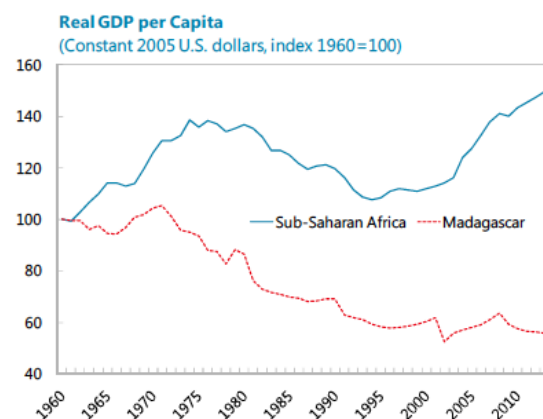
Over the past two generations, the Indian Ocean state has struggled to build a modern society and has defied global and regional trends by regressing in its development: per capita income has been in persistent decline and absolute poverty has risen (see graph below). The reasons behind this grim economic performance are evidently multiple and complex – a combination of exogenous shocks, climate risks and local factors. However, Madagascar’s ongoing legacy of poor governance and weak institutions has been a major impediment to progress.

Madagascar is also a young society with a fast-growing population. Roughly two-thirds of its mostly rural inhabitants are under the age of 25 and projections indicate that the labour market will have to absorb a very rapid annual increase in new working age entrants in the decade ahead.² Whether this pressure translates into a demographic dividend or a ticking bomb – with disaffected young adults barely able to scrape a living and feeding into social instability – will depend on the job readiness of youth and the creation of productive and decent employment in urban and rural areas.

Selected Madagascar Indicators (2014)

- 23 million population with 4.6 fertility rate
- 94% of the population living below \$2 per day
- \$430 GNI per capita compared to \$1,345 for SSA
- \$45-50 per month formal sector minimum wage
- 80% of waged workers living below the poverty line
- 10% working population with secondary education
- Share of employment: agriculture 80%, industry 3%
- 5% of world biodiversity with over 80% endemism
- High vulnerability to natural risks & climate change

Source: World Bank, UNCTAD, ILO, UNDP



Source: IMF Country Report No.15/25 (2015)

In recent decades, Madagascar has entered a cyclical pattern in which the nation’s development and growth trajectory have repeatedly been derailed by unrest and political crises. In 2014, the nation returned to constitutional order after five years of political deadlock during which it had experienced a profound downturn. The peaceful democratic transition delivered hope that a robust post-crisis recovery may be set in motion through improved public service delivery and the establishment of an environment conducive to sustained investment in the economy – expectations that remain for the most part unmet.

² According to a recent UNCTAD LDC Report (2013) new entrants will rise from 420,000 in 2010 to 566,000 in 2020 and 697,000 in 2030.

THE QUEST FOR GROWTH WITH DEVELOPMENT IN A GLOBALISED WORLD

Jean-Pierre Lehmann, Emeritus Professor of International Political Economy at IMD, opened the conference by introducing macro level considerations directed at the youth of Madagascar. The main thrust of the presentation centred on the imperative and challenges of achieving sustained growth over a prolonged period so as to alleviate widespread poverty, improve living standards, and drive social development.

While the quest for growth can prove to be elusive, the quest for sustained growth even more so. The *Growth Report*, for example, compiled by the Commission for Growth and Development, estimated that in the period 1950 to 2005 only thirteen economies (ten of which were in Asia) succeeded in sustaining average annual growth rates of 7 percent over a twenty-five year period. One of the keys to Madagascar's success beyond temporary bursts in national output will reside in taking a pragmatic rather than ideological approach to poverty reduction and development. This includes attention to the quality of growth: inclusiveness, fair distribution, equal access to opportunities and environmental sustainability.



The analysis of countries that have managed to achieve sustained growth highlights four key factors, or pillars, behind their success: the quality of governance, business, society and infrastructure.

- *Quality of governance:* It is widely acknowledged that governance in Madagascar over recent decades has been typified by rent seeking at the expense of nation building. Beyond the commitment of political elites to the public good, the quality of governance in the context of development is also shaped by the competence of a nation's technocracy, its meritocratic nature, and the strength of its institutions. It would be beneficial, for instance, that technicians working for the Madagascar Economic Development Board (EDBM) develop and apply strong expertise in their respective fields. Moreover, solid institutions such as an independent judicial system that commands respect and compliance to the rule of law are essential.
- *Quality of business:* A key criterion behind sustained growth is a business environment in which investment and private sector activity are stimulated. This includes physical and administrative infrastructure, policy incentives and political and macroeconomic stability. Enterprise is vital to generate employment, foster innovation and respond to consumer needs. Ideal business environments are ones that foster indigenous enterprises and welcome foreign companies, not least as platforms for the absorption of knowledge. The private sector, however, should operate within responsible codes of conduct, proper management ethics, and in conformity with national regulations.
- *Quality of society:* People are a nation's greatest assets. Successful nations have all opted to invest in human capital via education and health while providing opportunities for individual

progress, especially to youth. Moreover, social mobility and advancements in the status of women are barometers of development. Prosperous societies further require a minimum degree of solidarity and cohesion (in income distribution for example) while at the same time remaining open to the outside world. Closed societies and insularity, a recurrent temptation in Madagascar, have historically failed to generate prosperity.

- *Quality of infrastructure:* Deficient public infrastructure as in Madagascar can prove to be a formidable barrier to investment, competitiveness, sustained growth and development. But while physical infrastructure is essential, it will rapidly become ineffective without the proper institutions and human competencies to maintain, manage and develop.

In conclusion, Madagascar has had significant weaknesses in all four dimensions of sustained growth: governance, business, society and infrastructure. But Madagascar's situation is not destiny. Some of the world's most successful economies have pulled themselves in recent decades from conditions of underdevelopment and poverty similar to the situation that prevails on the Indian Ocean Island today. However, all actors in Madagascar's development should be mindful in a fast-evolving global environment of the dictum whereby those who survive are not the most intelligent nor the strongest but those most responsive to change.

BOX 1 Recommendations to Malagasy youth (i): Attributes for future business leaders

To foster growth and aim for a prosperous society, the role of youth will be primordial. Malagasy youth have to remember that development incorporates various facets beyond the material realm such as culture and ethics. Prof Lehmann closed his presentation by outlining a set of recommendations.

Future leaders must possess four major attributes to steer Madagascar to sustainable prosperity:

- Professional managerial competence: This is not a world for mediocrity or amateurs;
- Knowledge and understanding of key global forces and trends: Madagascar can only be an island in the physical sense. To develop it must be an open and outward-looking society;
- Ethical compass: Global capitalism has the potential to provide great wealth enhancing benefits. At the same time the unethical behaviour of far too many businesses are not only resulting in the destruction of global wealth but also a real crisis of confidence;
- Responsible citizenship: Patriotism and concern for the future generations, including nature conservation.

At an individual level, there are in addition three imperatives to youth and tomorrow's generation:

- Speak English: English has become and will remain for decades to come the global lingua franca;
- Know China: China is the new global actor. China is both an opportunity and potential threat for Madagascar. Ultimately whether the threat looms most or the opportunities are best seized will depend on Malagasy policies and behaviour;
- Be connected and develop networks: Apply intelligently the potential of global connectivity.

A LOCAL APPROACH TO HUMAN DEVELOPMENT IN MADAGASCAR

Lyla Herimanitra, Lecturer in Anthropology at EUROI, was invited to add insights on Madagascar's elusive quest for growth and development viewed through an anthropological lens. His presentation, which offered a local approach to socio-economic progress and human welfare, sought to question the very concept of development from a Malagasy perspective before delving into the relation between development and culture.

Considering that widespread poverty has been an entrenched feature of Malagasy society, several unsettling questions arise. Is poverty engrained in Malagasy culture? Is the very notion of development an import? Is there a Malagasy concept of development and if not should it be invented? Is there a culture of handouts and dependency in Madagascar? Are there objectives that extend beyond development? In short, what are Madagascar's developmental perspectives?



The intervention posited that development should not be seen as an import or export but rather a concerted process grounded in local realities. This process can draw inspiration from overseas models without seeking to uncritically replicate them. The main issue is to place the Malagasy, man and woman, as the means and end in the development process. Developmental policies may emanate from around the globe. Yet it is the responsibility of local agents and their communities to make informed choices and

conduct change as determined by their context. Development should neither be perceived as the violence of man against society nor experienced as the violence of history against man. Development should be understood in terms of human fulfilment.

Drawing on the concept of human development as framed by the United Nations Development Programme and the related work of economist Amartya Sen on capabilities: "Human development, as an approach, is concerned with (...) the basic development idea: namely, advancing the richness of human life, rather than the richness of the economy in which human beings live, which is only a part of it." Development should expand an individual's capabilities and widen his range of possibilities.³

Dr Herimanitra further brought to the discussions two empirical concepts of human development. First, development can be measured in terms of the control individuals hold over their digestive tract – i.e. all that is consumed and rejected. In other words, major progress will have been achieved in Madagascar once greater control over the production and transformation of products will have been secured and once local capacities in waste management will have improved. Second, development entails responsibility – i.e. to be developed implies the ability to look beyond immediate individual or community needs so as to expand one's sphere of engagement and responsibility towards society.

³ Quote from Amartya Sen, *A more human theory of development* (2004). See also UNDP, *Human Development Reports*.

In response to the question as to whether a Malagasy concept of development exists, an affirmative answer can be found in history. Under the rule of Andrianampoinimerina, for example, economic initiatives geared at generating and distributing wealth were undertaken such as the development of local markets and the introduction of agrarian reforms (an issue that remains of great significance to Madagascar society today). It would be rewarding to reclaim this economic history through research conducted by Malagasy students and practitioners.⁴

Having introduced a set of developmental concepts, Dr Herimanitra brought into focus the relation between development and culture by asking a provocative question: Is poverty in Madagascar a culture (or a tradition)?

Two competing concepts can be identified in the relation between development and culture. First, culture can be an impediment to development. As an example, a culture of dependency, brought about by reliance on external aid for instance, may prevent communities from taking responsibility for their welfare. Second, culture can be defined as plastic, whereby its capacity to adapt to fundamental factors such as technological change can be seen as a catalyst. A third approach can be conceived in which culture is seen as partner and lever in the process of human development. Under this approach, the local community takes ownership of developmental concepts so as to construct a process that becomes endogenous. In Madagascar, a country in which two-thirds of the population are under the age of twenty-five, education and the school environment immediately emerge as this natural lever of endogenous development.⁵

In conclusion, globalisation calls on Madagascar and its people to forge a new personality and create an identity that may differ from its roots. This new identity will be the result of compromise and exchange with the outside world because culture cannot be seen as static. The transmission of local institutions and values from one generation to the next is a necessary condition for society to survive over time and ensure its continuity. However, continuity should not be understood as immutability. In every society, continuity is secured through change. It is an illusion to believe that Madagascar can engage in commerce with the world while remaining walled within its traditions. Yet the process of integration and development is not an exercise in replication. It is the fruit of authenticity.

BOX 2 Recommendations to Malagasy youth (ii): Culture as a lever of development

Inspired by a theory referred to as the Max-Neef model of Human-Scale Development, Dr Herimanitra put forward four axes of knowledge for Malagasy culture to become a lever of human development:

- **Being (*savoir être*):** Malagasy youth should develop a solid understanding of their identity, in particular their place and responsibilities in a globalised world, so as to assess and maximise their contribution;

⁴ King Andrianampoinimerina (1745-1810) is credited with having initiated the unification of Madagascar.

⁵ A suggestion would be to convert existing schools into “integrated units for local development” in which programmes are articulated around developmental objectives. Instead of merely transmitting knowledge, schools would become a space of creation – not only ideas but also products with added value. Students would learn basic principles of development and actively participate in local initiatives towards the creation of wealth. School canteens, for example, could serve as an application ground for this concept of “integrated units” as their operation includes a diversity of developmental activities – i.e. agricultural production, processing, marketing and distribution.

- Having (*savoir avoir*): Malagasy youth should recognise that the purpose of wealth or capital is to circulate and be productive so as to contribute to development. This notion can give rise to tensions between the economy and culture. For example, funerary traditions (*famadihana*) or a rigid interpretation of solidarity in social relations (*fihavanana*) can clash with the responsibilities of individuals as economic agents;
- Doing (*savoir faire*): Malagasy youth need to be highly competent within their fields of activity. The educational system in Madagascar, in partnership with the private sector, should strive to produce professionals that are skilled and respond to labour market, sector-specific and developmental needs;
- Interacting (*savoir int ragir*): Malagasy youth should resist the temptation of insularity brought about by Madagascar’s geographic isolation. Moreover, the perception must change from one of material want to one in which a common destiny and potential is recognised. The Malagasy need to value diversity and engage beyond their communal and national boundaries.

PERSPECTIVES ON MADAGASCAR’S DEVELOPMENT

During the open session that followed the presentations, discussants were invited to react and offer additional perspectives on the criteria for success in Madagascar’s development. Students in the audience were also invited to engage in questions and answers with the panellists.

Responsible leadership that responds to societal expectations

Salim Isma l, President of Groupe Socota, was solicited to provide a corporate perspective on the criteria for developmental success in Madagascar. His observations specifically addressed the subject of the quality of business – one of the four pillars submitted by Prof Lehmann – and the manner in which the private sector can strengthen its role as a partner for development.

At heart lie the twin issues of responsible leadership and competitiveness. Domestic and foreign enterprises (which Madagascar should seek to attract so as to draw needed investment and know-how) that operate in sectors in which the country holds a comparative advantage (e.g. agriculture or labour-intensive manufacturing) need to position themselves as actors for social and economic development. Explicitly, this translates into a corporate culture in which human resources (human capital) are at the centre of a firm’s development in terms of engagement and motivation. This involves as an example: close attention to the work environment, employee health, environmental standards, in-house skill development and the possibility of advancement and upward mobility.



All of this implies a business model that is consistent with the expectations of society in terms of values and progress. Although the implementation of such a model may entail considerable investments, the returns can be high, especially in an underdeveloped country like Madagascar. Once the efforts of an entire company are aligned towards the common objective of customer satisfaction, competitiveness is no longer solely defined by comparative (labour) costs but rather the combined competencies and professionalism of its workforce – in itself a measure of development.

A coffer full of value and potential with four locks

François Goldblatt, French Ambassador to Madagascar, took the floor to offer a view from one of the nation's main partners and official donors. The essence of his contribution was to metaphorically compare Prof Lehmann's pillars for sustained growth to a coffer with four locks to be unfastened.



Youth in Madagascar have the responsibility of grasping the four keys that will unlock the nation's huge potential. It should be understood that this is a common endeavour that all nations, be they rich or poor, constantly have to grapple with so as to ensure their progress. While the margins for a surge in economic output are limited in advanced economies like France, each pillar in Madagascar could conceivably unleash 1-2 percent growth so as to gradually join the club of middle-income and emerging nations that have achieved sustained and accelerated poverty reduction and development.

The challenge for Madagascar's young generation, its educators and future decision-makers, is to identify the manner in which these keys are to be harnessed and then capitalised on.

Shared responsibilities in enterprise development

Noro Andriamamonjariison, President of the Groupement des Entreprises de Madagascar, reacted to the debate by stressing the importance of partnerships and the respective responsibilities of public institutions and private agents. She also advanced proposals for the promotion of entrepreneurship.

Good governance is a major facilitator of long-term productive investment and economic activity. The State in Madagascar has a duty to redress past and present shortfalls in this respect. With regards to the three other pillars of sustained growth – human capital, the regulatory environment and infrastructure – the public and private sector need to work in partnership and on the basis of shared responsibilities, not least in a country with limited public resources. Moreover, while it is urgent that the administration take-on the challenge of improving governance, the private sector has a responsibility to restore its legitimacy as creator of wealth. Private enterprise in Madagascar is commonly perceived with mistrust, often seen as predatory and focused on narrow interests rather than contributing to the public good. Business leaders, through their actions and decisions, need to rehabilitate the image of enterprise, notably in the eyes of youth.



Building on this idea, entrepreneurship in Madagascar – a country in which formal and decent work is in short supply – should be promoted as a path towards value and employment creation as well as individual fulfilment. Here again, industry leaders and business associations can shoulder part of the responsibility by developing initiatives such as structures in which “business angels”, for example, mentor and provide financial and technical assistance to young entrepreneurs.⁶

⁶ Mrs Andriamamonjariison listed other initiatives in which the GEM was involved. These include a programme in collaboration with ISCAM called “junior enterprise” where schoolchildren visit companies and internships are on offer.

Business education that breeds resilience and drive

Jaona Ranaivoson, Director General of ISCAM, was asked to elaborate on the contribution higher education, especially business schools, could bring to Madagascar’s development process. His address to the audience laid emphasis on the qualities young professionals should acquire in order to succeed in a difficult and uncertain environment.



The first is to develop a culture of excellence. As regretted by Dr Herimanitra, pupils and students in Madagascar are often insufficiently challenged to rise above mediocrity. This curtails their potential and their ambition to act as drivers of change in response to the nation’s economic predicament. The second is to cultivate a sense of individual responsibility so as to fully engage in the development process. This includes valuing diversity (respect) and making use of an ethical compass (integrity) as stressed by Prof Lehmann.

A third quality of importance is resilience – especially in domestic circumstances that can easily sap motivation and breed discouragement. Resilience implies a willingness to take risks and the capacity to bounce back when confronted with failure. It also implies self-confidence and the determination to realise one’s aspirations uninhibited by public attitudes or practices that may be unsupportive.

Breaking stones or building cathedrals

One of the important questions that arose during the discussions concerned the prospects for growth and development in a country like Madagascar where the vast majority of the population, especially in rural areas, have extremely low levels of literacy and formal education. How can these citizens become actively engaged as responsible actors in the development process?

Dr Herimanitra responded by drawing an analogy with two stonecutters during the Middle Ages in Europe. The first stonecutter working in the quarry states that he is “breaking stones” while the second observes that he is “participating in the construction of a cathedral.” The interpretation is that to enhance the quality and reach of one’s labour it is essential to understand its purpose – irrespective of one’s level of education.



In the context of Madagascar, this can be compared to raffia cutters with little understanding of how their fibre is used and weavers with no knowledge of how their crafts are marketed. This ignorance implies that agents in the production process do not have a broad vision of their actions or the creation of wealth. It was suggested that this could be addressed through awareness programmes and education from primary level onwards on economic concepts of value-added for example. The analogy also underlines the value of consultation, with and within communities, for development projects to succeed. Equipped with the right tools expressed in language that is understood, poor communities can take ownership and responsibility for their development.

***Fihavanana* in the process of cultural adaptation and development**

Discussions with the audience further gave rise to a constructive debate on delicate cultural issues, specifically the indigenous concept of *fihavanana* and its role in modern Malagasy society.⁷



Dr Herimanitra submitted the proposition that *fihavanana* should not be perceived or experienced as a cultural impediment to development but rather as an ally, a lever in the process. This implies that the concept needs to be renewed and adapted to present-day realities so as to become part of the solution rather than a handicap. He insisted that adaptation did not equate with renunciation.

In this cultural and spiritual renewal, the core notion of solidarity rooted in *fihavanana* may need to be extended beyond kinship and ethnicity to all peoples in the land, as a means to national unity and mutual responsibility, as well as recognising in all citizens of the world a parent or ally (Urfer 2012). Prof Lehmann further added that the pursuit of economic development should not be at the expense of culture, as the single-minded quest for private gains and material growth could weaken the fabric and richness of societies. The objective in Madagascar should be to reach balanced growth in which deep-rooted poverty and human dignity are attended to as an utmost priority.

Understanding China in an unpredictable world

The final topic that was touched upon during the event was that of the tremendous transformations to have occurred in the global economy over the recent past, notably the phenomenal rise of China. How can Madagascar ensure that China's growing economic presence in the region and on the island be framed as a mutually beneficial partnership?

In reaching favourable terms in the bilateral relationship, Prof Lehmann insisted on two points. First, understand the Asian nation's history, motives and developmental dynamics. Second, avoid being a passive spectator so as to draw on the opportunities associated with China's emergence rather than endure the challenges or threats.



China is engaged in a contest for resources to fuel its growth and meet the consumption patterns of its expanding urban middle class. It has penetrated foreign markets in mass-produced exports at

⁷ "Stemming from the root *havana* (parent, ally, friend), *fihavanana* denotes kinship in its narrow sense, friendship in its broader sense and social relations in general. The closest equivalent in French would be "solidarity", in that the Malagasy finds purpose in belonging to a community and the interdependence of each individual within a group. As such, it crystallises for many the very essence of "Malagasiness". (...) Under present social structures, *fihavanana* fulfils the role of a utopia, conveying an ideal vision, mirrored on the family, of how the nation and its social fabric should be. This means that it does not exist in practice and is not achievable in its perfection. (...) How then can *fihavanana* be renewed so as to apply its ideal into daily life? It will only survive if it manages to pervade the social environment and inspire the institutions and projects of a modern society: social protection, systems of public health and education, employment policies, land-use planning, development strategies, etc." Translated from Sylvain Urfer, *Madagascar une culture en peril?* (2012)

scale and lightning speed and is fast moving up the value chain as it becomes a growing source of demand for internationally produced goods and services. Labour costs are rising and the nation is closing in on the technological frontier. It is a country in which inland poverty remains high while social tensions and environmental concerns are inching up its agenda of State-led capitalism. China has become the origin of a rising share of development assistance as well as direct investment in infrastructure, energy, commodities and manufacturing (not least in Africa). The vast nation is also a community of peoples whose cultures and identities have been affected by the swift pace of societal change. Together with its newfound might, China is challenging by degrees the established global economic order. This is a contributing factor to geopolitical turbulences in an unpredictable world.

The historic re-emergence and international reach of China is a game-changer in sub-Saharan Africa. Most of the above trends can be interpreted as either opportunity or threat – both of which are real from a low-income country’s developmental perspectives. The onus is largely on Madagascar, its present and future policy-makers, entrepreneurs and business leaders, to seek to ensure that the former outweighs the latter in its relations with the East Asian power.⁸

CONCLUDING REMARKS

The panellists were invited to convey a final message to close the event. These were addressed first and foremost to students and youth.

Jean-Pierre Lehmann – *It is vital that a sense of fatalism does not take root. Madagascar is not destined to be one of the poorest countries in the world. One only needs to observe the remarkable developments that have taken place in many Asian nations: some of which have become extremely dynamic from a position of deep poverty. However, this implies the determination to succeed and the ability to grasp and apply the different keys to growth and development that have been presented.*

Lyla Herimanitra – *Madagascar will have innumerable development projects “under construction” as long as solid relations based on trust do not develop within the country. This includes trust between public administrators and citizens; trust between employers and workers; trust between consumers and producers; trust between communities, parents and children. Without trust, no development project will succeed in our country.*

Jaona Ranaivoson – *As an institution devoted to business education in Madagascar we have a mission to train professionals who will be proactive, accomplished and open to the world so as to develop domestic enterprises that are sustainable and competitive. We also aim to bring an intellectual contribution that will help propel our society forward. The upcoming generation has a duty to bring development and prosperity to Madagascar. This means individuals that assume responsibility.*

⁸ It is worth looking at the export in rosewood as an example of threat. In order to satisfy growing demand in China for luxury furniture carved from the precious timber, Madagascar is jeopardising its development by engaging in illegal trade in well-documented merchant routes. Not only is this criminal activity leading to the spoliation of one of Madagascar’s greatest assets (a unique environmental heritage), it is also creating warped incentives and corroding public institutions through corruption and impunity. Alternative strategies for the creation of wealth based on precious wood can be devised. If we turn our attention to opportunities in the relationship, we can consider, for example, cotton garments produced by Socota in Antsirabé that are gradually penetrating China’s fast-growing consumer retail market.

BOX 3 Voices of Malagasy youth

One of the objectives of the conference was to encourage Malagasy students enrolled in business education to reflect on their aspirations and sharpen their perception of the criteria for developmental success. ISCAM students probed into these topics before and after the event.



The following questions and thoughts, gathered by ISCAM lecturers in follow-up to the conference, were taken from the process.

Many students expressed a wish to better understand the factors behind rapid growth and development in emerging nations, including neighbouring Mauritius, and how Madagascar can draw inspiration from these narratives to help develop its potential.

They also expressed:

A deep sense of frustration:

- *Why have other countries managed to develop rapidly and not us?* (Mialimalala)
- *There are so many problems to redress that even in 50 years we won't be developed!* (Ketsiah)
- *Most of our population have no understanding of what development means.* (Nomenjanahary)

A concern over Madagascar's autonomy and economic dependence:

- *Will Madagascar always be dependent on foreign aid?* (Iriko)
- *Are protectionism and cultural preservation not a solution?* (Ratsirojaza)
- *Globalisation and foreign influence should be curtailed. We should independently exploit our resources to develop local industries and help our population.* (Renaud)
- *Is foreign driven progress really compatible with our culture? Why can't the Malagasy define their own progress in accordance with their own culture?* (Mialisoa)

A questioning on the relation between Malagasy culture and development:

- *Why are Malagasy traditions an impediment to development and not in other countries?* (Christelle)
- *Is there a strategy to adapt and change Malagasy mentalities?* (Anjatina)
- *How can fihavanana be exploited to our advantage?* (Maïa)
- *What is the role of Malagasy women in economic development?* (Joelle)

An awareness of Madagascar's unfulfilled potential:

- *We have everything to become an emerging nation. We only await a sign for a fresh start: political stability, honest leaders and openness to the world while preserving our identity.* (Dylan)

And a degree of Swiss pragmatism:

- *The economy is like a watch: all components in the mechanism must function. If Madagascar's economy is regressing rather than progressing, then there is a problem in certain sectors.* (Andriantsoa)

Conveners

Jaona RANAIVOSON, Director General of ISCAM
Salim ISMAIL, President and CEO of Groupe SOCOTA

Speakers

Jean-Pierre LEHMANN, Emeritus Professor of International Political Economy at IMD
Lyla HERIMANITRA, Lecturer in Anthropology at EURO1

Discussants

Noro ANDRIAMAMONJIARISON, President of the GEM
François GOLDBLATT, French Ambassador to Madagascar

Moderators

Vanessa RASOAMAMPIANINA, Lecturer at ISCAM
Riveltd RAKOTOMANANA, Lecturer at ISCAM

Participants

The conference was attended by: business leaders, representatives of international organisations and foreign embassies, civil society organisations, and university professors and students.

Websites

ISCAM: <http://www.iscam.mg/>

Groupe Socota: <http://www.groupesocota.com/>

IMD: <http://www.imd.org/>

Institut Français de Madagascar: <http://institutfrançais-madagascar.com/>

Recommended readings

A number of publications were cited during the conference. The following are the main recommendations:

- Commission on Growth and Development, *The Growth Report*, World Bank (2008)
- William Easterly, *The Elusive Quest for Growth*, MIT Press (2001)
- Howard French, *China's Second Continent: How a Million Migrants are Building a New Empire in Africa*, Random House (2014)
- Amartya Sen, *Development as Freedom*, Oxford University Press (1999)
- UNDP, *Human Development Report – Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience*, UNDP (2014)
- Sylvain Urfer, *Madagascar une Culture en Peril?*, No comment editions (2012)

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