

THE ECONOMIC EMANCIPATION OF AFRICA –
PUTTING THE TRIPLE HERITAGE TO WORK
THROUGH INTEGRAL BANKING

BASHEER OSHODI

OSHODIBASHEER@GMAIL.COM

JUNE, 2016

CENTRE FOR INTEGRAL SOCIAL AND ECONOMIC RESEARCH, LAGOS,
NIGERIA

ABSTRACT

Africa is a civilization built on three pillars, in principle, and yet in practice the actors are influenced by these forces of the African triple heritage; as represented by Ali Mazrui's reflection of the African people, are not yet acting as such in economic unison. Indeed there is a discordant mix of economic consciousness, or conflict between tradition and modernity which has inhibited the impact on economic growth and development. What then has destabilized these innocent states of Africa? Where are the spirits of peace and wisdom? Wole Soyinka's god of lyrics and idiomatic expression is present in African literature but not economics. Islamic finance certainly has some empirical solutions to offer on issues of human wellbeing (*falah*) and communal good life (*hayya al tayyibah*) but not yet in coherent guise; and the Christian missionaries have exposed Africans to Western education. Why then would the iroko tree near the reverend father's house be cut down due to some extreme beliefs? How can one imagine an Africa that finds purposefully accommodating an integral mix of perceptions – of their own indigenous beliefs, Islamic affiliations and Westernized Christian ideologies? The African World System purportedly addresses development matters and unequal opportunities across nations while accommodating both political and also intellectual issues where theory and practice are interwoven. Many previous socio-economic theories are unfavourable to African development even though they worked in the North and West, at least to some point – before the melt down of neo-classical economic activities. With all these challenges, Africa still contends with the forces of the triple heritage and this piece illustrate a practical economic application of such.

The Rebirth of Africa

Africa lost her virginity to the slave traders, and then, colonialism added injury to her pains. Left in the darkness of the deep forest, she was unable to find her way to the flowing spring where the rays of sun sparkles. In this 21st century, Africa still struggles to escape from this brutal mess of history. Her masked former colonial masters have now disguised as business partners to further drain her remaining resources. They have demonstrated tyranny through geographical prejudices. They have offered mirrors and umbrellas; they have exchanged evangelism for pure gold; they have brought the gift of ideas, of their own understanding on social emancipation, and of economic empowerment. The beauty of Africa still excites her friends, with even more acquaintances from the East while the Middle-East are a little more selective with what they offer.

Why has it been so easy for everyone to take Africans as slaves – from the Arabs to the English; and then from fellow Africans. Is the African mind unable to resist suppression? Or, is it a thing of black psychology? African leaders have also taken good advantage of this behavioural pattern. They have intentionally extracted their own continent knowing that their people will never fight back. They will rather emerge themselves in religion – that the hereafter will be better and more lasting. While some consulted the compendium of *Ifa* (Yoruba divine scripture) and called upon *Obatala* (the creator of human body and father of all other *orisha* - gods) and *Sango* (the god of thunder and light), and *Ogun* (the god of iron); others stuck to their Bible and Quran. So why are Africans religious? Is it really because they love God so much and wish to please Him, or because of the scourge of poverty, insecurity and human disasters? More so, this love for religion is now becoming a thing of social and economic security for Africans especially those living in Africa. Africans in

the diaspora, either as a result of slave trade, opportunities or even illegal immigration have also not shown much socio-economic success when compared to non-Africans. Again, I look at Jamaica – a country so close to the USA, yet hardly different from Senegal. Former slaves in the USA taken back to Liberia did not make any serious impact. In the UK, Germany, USA, Brazil, Cuba, Australia and even South Africa, black Africans are all too often third class citizens. What then is the matter? Is it still the forces of the triple heritage or an unexplained black psychological behavioural pattern? This takes me to the next question, why do black Africans behave the way they do? While the scars of slave trade and colonialism ought to have healed by now, there is still little cohesiveness and development in much of Africa and amongst the African people all over the world. This calls, as I see it, for a change in the black psych. A Japanese, Chinese, or Jewish type of psyche, as it were, is necessary to force socio-economic development to happen regardless of any barriers or obstacles.

Historical Tendencies

“As the haggling in Europe over Africa territory continued, land and peoples became little more than pieces on a chessboard” asserted Meredith,¹ Acemoglu and Robinson² set forth arguments on how the past shaped the future in Africa. The books of history tells us how civilization started from Africa, in Egypt and how its rulers built series of pyramid-tombs along the desert edge around 2685-2180 BC. Abdurahman ibn Khaldun (1332-1406) from Tunis spiced up economic thoughts with his *Muqaddimah* (‘An Introduction to History’) and confidently addressed issues of state, specialization and economic surplus, supply and demand, monetary policy, fixed prices, and property rights. Sub-Saharan Africa had however been sketched as some backward primitive bunch of communities. Again, in the words of Ibn Khaldun on his perception on Black Africans, he asserted: “Their qualities of character, moreover, are close to those of dumb animals. It has even been reported that most of the Negroes of the first zone dwell in caves and thickets, eat herbs, live in savage isolation and do not congregate, and eat each other.” He went further to say that, “their conditions are remote from those of human beings and close to those of wild animals”.³

Davidson quoted Trollope who commented that, Black Africa had “no approach to the civilization of his white fellow creatures whom he imitates as a monkey does a man”.⁴ Davidson went ahead to quote a former English Governor of Nigeria who said, “for countless centuries, while all the pageant of history swept by, the African remained unmoved – in primitive savagery”⁵ Davidson also said, that in 1958 Sir Arthur Kirby, Commissioner for British East Africa in London told the Torquary Branch of the Overseas League that “in the last sixty years – little more than the lifetime of some people in this room – East Africa has developed from a completely primitive country, in many ways more backward than the Stone Age”⁶. Mazrui quotes Julius Nyerere who once said that “while the great powers are trying to get to the moon, Africa is still trying to reach the village”⁷. It is this overall inferiority complex that led Africans to quickly follow the path of the Missionaries by accepting Christianity without any compromise; by leaving traditional wisdom for formal education; by adopting all economic models and legal framework from the West; and ignoring the intelligence of the Shariah. For Soyinka (2012)⁸, the Orisa (West African Yoruba god) is even more ancient than Islam or Christianity and can even attempt to guide people, co-opted befittingly as a paradigm for African religions. Soyinka argued that this religion survived the Atlantic slave route and sank deep roots in South American and Caribbean spiritual earth. Even where this religion is encountered only on the margins of those societies, it is always with full devotional embrace – including pilgrimages to Source, Ile-Ife, in the land of Yoruba”. The truth

about today's Africa is that a clear majority of her people still prefers to align with Islam or Christianity. We have forgotten so quickly that the Arabs enslaved Black Africans just like the Western Christians, but, maybe not so much slavery from the traditionalist depending on how you choose to perceive history. During the slave trade era, the Americans even preached from the Bible to the slaves before the day's farming activities commenced.

Shariah attempts to abolish the institution of slavery by introducing the freeing of slaves as forgiveness of major sins, though today's Arabia still witness Black African communities without human rights, and without state identity. The European slave trade started in 1441 and the discovery of America in 1492 helped the slave trade business to flourish and this lasted for four hundred years until it was formally abolished in 1807 in England but the illegal trade continued. Thilmans (2010)⁹ observed that during the illegal trade period in the 19th century, slaves were sometimes thrown overboard to prevent the ship from being tagged a slave ship. Those who contracted smallpox were also thrown overboard to avoid spread of the disease. A ship may transport up to 600 slaves while in smaller ships, the quarters below deck where slaves were confined was less than four feet. Many researchers observed that over ten million free men and women who became slaves were shipped to the Americas while about the same number died while waiting for a ship or during voyage.

That said, perhaps when we visit Goree Island, Dakar, Senegal we may have long forgotten the slave trade story but instead more freshly recall colonialization or South African apartheid. When European countries gave independence to many African states, the number of those with formal education were always so few that such countries struggled to survive post-independence. In the process of power struggle and resource control a civil war would always break out creating a failed state just within a few years of independence. Military rule and patrimonial governance follows and such country might cry out for financial aid from the international communities setting the stage for dependency theories to manifest. International dependency models claim less developed economies to be beset by institutional, political and economic rigidities in their domestic and international affairs, leading them to be trapped by the dominance of and dependency on rich, advanced nations (Todaro and Smith 2009¹⁰; Oshodi 2014¹¹). The Neo-colonial Dependency Model was born out of Marxist revolutionary ideology which allows the powerful West to apply the 'divide and rule' style to prey on the economies of less-developed South (Oshodi 2014¹²). This African developmental pattern brought nothing but human disaster while poverty, income inequalities and unemployment become a normality. Then, Africans would seek after citizenship in other countries while the continent also suffers brain drain. The effect therefore is further underdevelopment while some neo-classical oriented economic growth may be recorded. As HIV-AIDS, and now EVD threatens the African continent many turn to the churches, mosque and shrines asking for the Lord's Mercies. This religious orientation as a solution to every problem simple confirms the thoughts around Mazrui's African triple heritage, of Semitic monotheism, European organization and African land-reverence.

Of Religions

Some Africans find their role model in Westernized Christianity, while others from Arab Muslims; yet the developmental zeal exhibited by the West is misplaced. In the same vein, religious extremism from Arab Muslims may be adopted. The traditional deities are frequently called upon to provide guidance and give clues about the future. These priests control the hearts of the very educated Africans. They guide the politicians. They break homes. They destroy friendship, love and brotherliness. They may be right sometimes and wrong sometimes, yet they control the future status

of an entrepreneur's businesses. Many a time, Africans attribute economic failure to a failure to pursue required religious duties. But, why would a man's business fail because he no longer takes religion seriously? What did Switzerland, Germany and Japan do to achieve such economic developmental height? No doubt, the African mind is influenced by the forces of the African triple heritage and influenced by the Semites - especially Arabs and Jews, and the Caucasians - especially Western Europeans (Mazrui 1986, in Lessem and Schieffer, 2014¹³).

Our history – political, social, religious, economic, education, life, and even mind-set is influenced by these forces. Should it be our strength or do we simply accept it as our 'destined' weakness? It is this miss-representation of predestination that indeed retards our focus. How would we have known what God has written for us? For once, it is necessary that Africans start to think more like the Jews – economically and politically. Even *Obatala* would not stop the people from performing the traditional rites in a more innovative manner, at least, for the primary purpose of achieving socio-economic emancipation. Why would Africans wait for God's judgement day to trial corruption matters? Or, wait to live a happier life in God's paradise when they can actually have this world and the next? Who then is to blame for Africa's economic stagnation while the rest of the world move on? Mazrui also reminded us that if north of the Sahara Islam spread by the sword, south of the Sahara Christianity spread by the gun.

From Political Failure to Economic Suppression and Corruption: Is the West still to Blame?

African countries have huge natural resources, limited natural disaster, with good weather condition all year round as her greatest strength. The weakness is however in the people and leaders while the continent records frequent disasters from communal conflicts, wars and diseases. Africa is characterised by very weak institutions – call it extractive or predatory governance, and the fact remains that Africa's inability to get institutions to be effective and efficient negatively affects socio-economic performance. From the north of Africa to the south, good governance has been generally lacking which then affects the efficiency of the private sector causing a further expansion of inequality gaps. No doubt, the colonial masters did not put in place any serious sustainable plan for the African states after independence which still hurts the continent. However, it took Germany and Japan far less than 20 years to recover from the evils of the Second World War, why then is Africa not catching up after decades of independence. Mazrui¹⁴ argues that "Western consumption patterns were transferred more effectively than Western production techniques. Western tastes were acquired more quickly than Western skills, the profit motive was adopted without the efficient calculus of entrepreneurship, and capitalist greed was internalized sooner than capitalist discipline."¹⁵ He went further to say that Africa is caught between Shylock and Shaka, between greed and naked power – and the decay of the post-colonial state is one consequence of that dialectic. Three forms of the privatized state appear on the political landscape of Africa – dynastic, ethnic and anarchic tendencies of privatization.

We can then conveniently argue that the forces of the triple heritage has further thrown Africa into more confusion. Africa is caught in-between Islamic thoughts and its social-economic rules; wedged by the beauty of Westernized Christendom and carried away with such Biblical teachings; more so, she held-on to the traditional ways of life. For Soyinka (2012¹⁶), the *Ifa* is replete with numerous pronouncements, including ethical precepts, that guide – again, not dictate, communal choices in virtually all aspects of life. They take no interest in personal matters like dress codes or sexual preferences. Perhaps this is what makes *Orisa* worship impervious to co-option by the

dictatorial priesthood of other religions, Soyinka maintains, who turn mere spiritual intuitions into instruments of repression. *Orisa* religion does not hesitate to guide humanity, most especially through *Ifa*, its compendium of knowledge and paradigmatic narratives. In Nigeria for example, many Muslims and Christians would still be engaged with the *Orisa* through an *Ifa* priest. As religious confusion lingers on, so does economic misunderstanding; inappropriate use of research methods and methodologies; wrong application of democracy or governance model; obscured banking system; doubtful educational curriculum; vague food combination; and even dress codes that depicts these triple heritages. It is this state of mix-up that leads to overall poor economic performance, yet to be fixed.

Triple Economic Manipulation

Africa had enough food before colonialism and suddenly independence brought urbanization which has affected agricultural production. The run after the white collar jobs allowed the farmers families to leave their position and run to the cities causing more demand for food in urban areas while unemployment increased steadily. Corruption across every facet of life in African states then allows a few to get so rich without working hard, but just by stealing or collecting bribes causing income inequalities. The former colonial masters then come up with economic solutions under a new name – whose interest would these models favour? The Muslim jurist calls for the prohibition of *riba* – interest as the core foundation of the Islamic economic system while the *Ifa* priest is willing to make all contracting parties take oath and drink from the calabash. Mazrui¹⁷ feels strongly that the African gods may be angry and indeed deserted the African people while this calls for a need to be closer to these deities and ancestors for guidance. He believes that the European colonial rule was more effective in destroying indigenous African structures than the African culture. The Europeans imposed their politico-economic structure and taste which Africans followed too quickly. They promoted Western taste without skills asserted Mazrui.

Africans found themselves in-between such a heritage and the best embodiment of the modern African triple (indigenous, Islamic and Western) in Nigeria. Mazrui's¹⁸ triple heritage thesis is based on the notion of Africa as a 'cultural bazaar' – a place of exchanges, mixtures and sages, while the cultures of Africa have long been ignored and despised. Mazrui argues that the economic model imported from the West did not allow Africans to control the means of production, but instead had more control in the means of destruction. This then makes all other institutions in Africa such as labour unions, professional associations, universities, judiciary, the police, and the civil service to be weak. Acemoglu and Robinson¹⁹ (2013) call such extractive institutions. Lessem and Schieffer²⁰ (2010) make the case for an indigenous-exogenous moral economic core in a bid to achieve dynamic balance in Africa. They perfectly merge religion and humanity in a manner that seeks to absorb several economic models to Africa's advantage. Oshodi²¹ (2014) introduced the African Triple Moral Economic Heritage Model which binds together several ideas within Lessem and Schieffer's integral research model. For Oshodi, there is a need to slightly move away from Soyinka's application of *Ifa*'s wisdom and lyrics and consider other developmental issues around access to developmental finance. The *Ifa* priest will indeed be too carried away with daily prosperity rituals aimed to better the lives of his clients. Oshodi then argue in favour of those aspect of the indigenous thoughts that would aid economic development, more so, poverty reduction.

A case of Islamic Finance in Nigeria

Nigeria presently have three commercial banks offering Islamic banking but termed as non-interest banking. There are several other non-banks financial institutions offering Islamic fund management, takaful – Islamic insurance and micro-finance. Nigeria has a population of 180 million people out of which at least 50 per cent are Muslims. EFInA's 2012²² National Survey on access to financial services in Nigeria shows total adult population of 87,881,868 out of which 39.7% are financially excluded and over 60% of them are Muslims. In the same vein, 30.5 million adult are very likely/somewhat likely to use Islamic finance products, of which 23.6 million are interested in savings accounts; 15.3 million are interested in financing; while 9.5 million are interested in trading. More so, 4.5% of adults earn more than \$448 per month while 47.3% of adults earn less than \$83.2 per month or have no income.

The first two Islamic banks in Nigeria started operations in January, 2012 while the third started in January 2014. They all have numerous Shariah-compliant products with a total customer base of less than 100,000 while they have a few dozens of risk assets as at September 2014. The pricing or cost of funds is 20% to 30% per annum which is still within the same range conventional banks gives out loans. Facility advancement to the bottom segment has been extremely low since these banks have only started to break-even while shareholders put them under much pressure to always show profit in the books. This means they have to rely on corporate and commercial banking activities in order to record good income. What then happens to the 47.3% of adults that earn less than \$83.2 per month or have no income? What plans does Islamic Finance have for them? Is it enough for Islamic banks to only offer Shariah-compliance without helping reduce poverty? One of the Islamic banks has now started to implement access to finance/access to market structure for co-operatives and associations with the hope that a lot more people from the bottom of the pyramid can enjoy finance. This is coupled with some level of capacity building for owners of these micro enterprises.

The Central Bank of Nigeria has set aside over USD 1.4 billion for the SME industry where banks can access and lend at single digit interest rate to SMEs. Islamic banks do not seem eligible for this interest based funds but are trying to make the apex bank give them on *murabaha* (mark-up sale) basis. This would give Islamic banks much needed liquidity to tackle this segment and expected to reasonably touch the lives of entrepreneurs of all faiths. More so, a group of researchers and bankers under the Centre for Integral Social and Economic Research (CISER) have formed a co-operative inquiry aimed at addressing issues around realistic access to finance for Nigerians via action research. The overall aim is to achieve poverty reduction through integral banking where Islamic finance, SME finance, agent network and esusu structures are integrated.

The indigenous esusu model

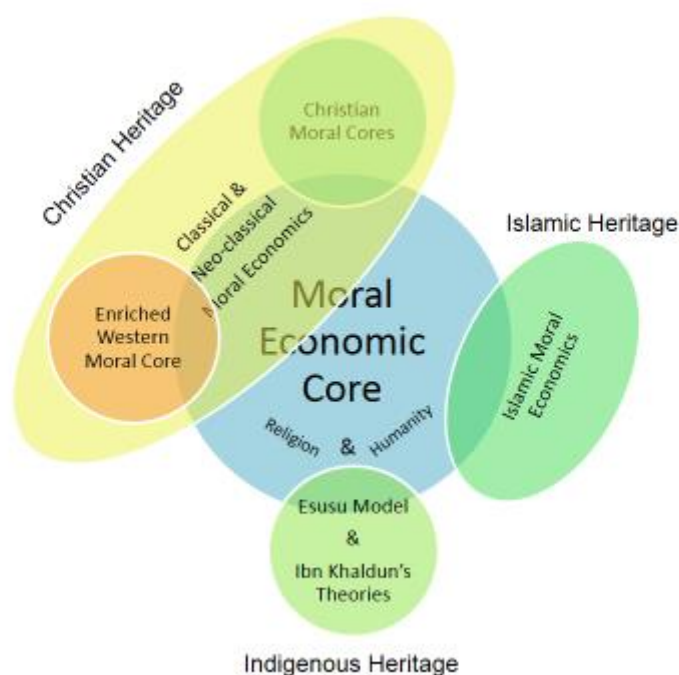
The Esusu model – the only practical indigenous economic heritage - is given priority where communities are involved in rotational labour, savings and investment, thereby able to access the factors of production they truly need without any exploitation. This had been an informal form of banking, if you like, in Africa and the need to make it operate within the formal financial atmosphere

is given importance. The sincere application of the esusu model within the context of the triple heritage and as embedded in the formal financial industry may be enough to emancipate the African people from the heat of poverty. Historically, esusu dates back to the sixteenth century from the Yoruba land in south-west Nigeria and was imported to the Americas during the slave trade era. It is called *esu* in the Bahamas, *susu* in Tobago, *sou* in Trinidad, *ajo* in Yoruba lands, *adashi* amongst Nigerian Hausa people, *anago susu* in Ghana, and *nago* in Ivory Coast (Oshodi 2014²³). We also find this system in Zimbabwe, Panama and the United States. Practically this system transformed gradually from rotational farm labour to group savings schemes and then loans for members. The forces of the triple heritage has now changed its application where those influenced by Westernized Christianity take interest from members who borrow from the pool of funds while those influence by Islamic rules do not take interest.

Christian economic heritage

There are a lot more verses on the prohibition of usury in the Bible than any other religious book. Exodus 22:24 of the Old Testament says “And my wrath shall wax hot, and I will kill you with the sword; and your wives shall be widows, and your children fatherless; if thou lend money to any of my people that is poor by thee, thou shalt not be to him as an usurer, neither shall thou lay upon him usury. Leviticus 25:35-37 say, ‘take no usury of him, or increase but fear thy God. Luke 6:35 says, ‘lend freely, hoping nothing thereby. Pope Leo the Great (440-461 CE) laid the cornerstone for usury laws and forbade clerics practicing usury and condemned laymen for it. The 2nd Lateran Council (1139) declared that unrepentant usurers were condemned by both the Old and New Testament. Rima I. 2009 and Oshodi 2014 captured Summa Theologica (‘Summary of Theology’ or ‘Highest Theology’) by Thomas Aquinas (c. 1225-1274), written in 1269-90 CE categorises cheating in trade and usury on loans as unethical and immoral acts. Adam Smith, the master of classical economics was influenced by the church and set forth the theoretical framework and debate about the division of labour, the nature of money, and the impact of saving and investment on national economic progress (Oshodi 2014²⁴). Thomas Malthus, David Ricardo, John Mill, Karl Marx and the father of neo-classical economics theories – Alfred Marshall may have been influenced by their Christian or Jewish heritage leading to gradual movement away from the core Biblical moral economic structure. Sam Rima’s ²⁵(2012) Spiritual Capital Theory is now pulling the world back to what the Christian economic structure is expected to look like. Figure 1.0 shows that the Christian moral economic core emerged from the North and merged with the East. Mazrui observed that Protestantism was a doctrine shrinking the divine control over man, and capitalism was a doctrine expanding human control over nature. The Islamic economic system is from the same Semitic root as the Jewish and Christian system which basically redefines money as a non-commodity that should not yield interest. Islamic jurists and economists have thus taken this model to the laboratory, brushed it up and packaged it mainly as Islamic economics and finance.

Figure 1.0 African Triple Moral Economic Heritage Model



Source: Oshodi 2014

Islamic Economic Heritage

Islamic moral economics as a universal set is consumed by Islamic banking and finance as a subset of other poverty reduction concepts such as *zakat* (compulsory alms), *waqf* (endowment) and *sadaka* (non-compulsory alms) theoretically. Practically, Shariah-compliance may be somewhat easy to achieve in Islamic financial institutions but poverty is still dominant in Muslim majority countries. Copying Islamic banking and finance from the Middle-East, Malaysia and Europe has not dragged poverty downward in Africa. The engine of this economic system is the prohibition of interest, avoidance of uncertainty, gambling and unethical concerns while the wheels includes partnership, sale and lease transaction. The confusion that then set in is practicing these modes of finance under a neo-classical socio-economic setting. This liberalized atmosphere then prevents Islamic finance from achieving the *Maqasid al Shariah* – anything or activities that are necessary to preserve and enrich faith, life, intellect, prosperity and wealth in a manner that achieves human well-being and communal good life.

Africa's triple economic heritage is aggravated by the failure of state actors to sincerely move the economy to the oceanfront of prosperity. Africa gets even more muddled where the former colonial masters under guise of religion, foreign aid, resource exploitation and foreign investment further adds more salt to the injuries of the African wound. It is in this respect that Lessem and Schieffer²⁶ (2010) put forward the moral economic core which recognizes religion and humanity as the central focus of what economic models should achieve which further leads to dynamic socio-economic balance which allows moderation between extremes. This balance is a result of effectively fusing the particles of economic thoughts, and of humanism, if you like, 'African humanism' founded on the platform of religious tolerance and aimed at touching lives and communities positively. For Mazrui, this clash of ideas Africa found herself is the 'triple heritage' – of indigenous

wisdom, Islam and Christianity influenced by the West. For once there should be a movement away from too many classical thoughts, toying with academic molecules and being a neo-theorist. The expectations of the Africa people is not the design of castles in the cloud of rainbows but to solve the '*koko*' (primary) issue of household economic survival.

The shift to integral banking: solving household poverty issues

With a lot of confusing economic models to adopt and adapt, what really matters is that individuals and households can address the immediate poverty that affects them. They want their kids to go to school; they want to live longer and healthy lives; have access to nearby medical facilities; get jobs or run their own businesses; and live exciting communal lives which demonstrate culture, dance and celebration. These household issues are best solved where an integral socio-economic system leads to true developmental banking. Developmental finance or banking is the playground for the moonlight drama where the economic players put down their triple heritage cards, or economic models in a bid to harmonize perceptions. The indigenous financial structure is not sustainable 'as is'. It needs to fit into the formal financial system, call in financial inclusion if you will. The difference here is that the primary purpose of this inclusion is aimed at providing realistic access to cheap finance to the bottom segment. What we would have termed as the Christian banking system has been consciously or unconsciously merged with Capitalism or conventional financial system, thus the core Christian elements has faded into the clouds.

Islamic banking on the other hand is yet to deliver Africa from poverty. The cost of setting up standalone or window Islamic banks are too high for them to bother about providing cheap financing for the populace. What then matters is to have a truly integral banking system. A structure that agrees with all faiths within the African socio-economic circle. A financial system that accommodates the informal traditional way of financial intermediation, yet affects the lives of the people positively. The African triple economic emancipation, so to speak, should involve one integral system, incorporating thereby the best of the triple heritage, underpinned overall by African humanism, as its moral core. One wonders if banks and other financial institutions require a different operating license to achieve this. Maybe not. What they require is one unique customer value architecture that offers products to every socio-economic segment and within the religio-linguistic setting Africa finds itself.

Today, Africa witnesses a situation where Islamic finance, micro-finance, agent network and mobile banking are designed as vehicles of financial inclusion, but in reality, they are simply a means of perfecting the art of conventional finance which further fuels the fire of neo-capitalism. "Western capitalism transmitted capitalist greed to Africa – but without capitalist discipline. It transmitted the profit motive- but not entrepreneurial persistence and risk-taking. Western materialism was transferred to Africa, but not Western rationalism" (Mazrui 1986, in Lessem and Schieffer, 2014²⁷). The innocent African bride has been put into yet another confusing economic manipulation, believing that the financial future is bright. If the primary motives of shareholders of financial institutions lies around profitability, how then can they achieve true integral financial system? It needs to be built towards closing the inequality gaps in our system. No doubt, there is need for investors in financial institutions to make profit. More so, profit can easily be made from corporate and commercial transaction, but lower profit should be expected from some aspect of retail banking and the small and medium scale businesses. The cost of funds under an integral banking system then

needs to be much lower which becomes a major attraction to the people. For once the people will forget about their own ethno-linguistic differences and the triple heritage that divides their spirits but focus on the social good of a new system. A system designed by Africans and for Africans. This is a system that would clear the path to economic prosperity.

Africa's path to prosperity: Recognizing the triple heritage

It will be impossible to separate the stability of the state and the effectiveness of financial institutions in any economic setting. African humanism seem socialist or like some welfare arrangement. This needs to be combined with Korea's cohesive capitalist state structure²⁸ rather than the loose kind of capitalism in Africa. In this regard Mazrui²⁹ observed that:

While the resources of Africa were being incorporated into world capitalism, the people of Africa were not being transformed into effective capitalist. Africans were objects in a game of capitalism rather than subjects. The problem for Africa is therefore not too much capitalism but too little. Effective capitalism has yet to arise. If the genius of capitalism is production that of socialism is distribution. And yet one cannot distribute poverty or socialize the means of non-production. Africa will need to develop a productive capacity before it can meaningfully implement a programme of distribution at least to some extent. Africa has to become capitalist before it can genuinely become socialist.

For Oshodi,³⁰ there is need for Africa to close four coordination gaps – state coordination, market coordination, spiritual or value coordination and people coordination in order to achieve true prosperity. This means Africa's economic agenda would recognize the forces of the triple heritage within the context of these four important elements where the value and exact needs of the people are major variables in the new economic plan. This proposition cannot be based on case studies from the West, but rather leverage on cases from Southern economies with more focus on African states that have recorded some level of success. More so, the financial model is also of huge importance since the people have greater impact with the activities of banks and financial institutions. The people want to grow their businesses or start new ventures, they need a system that serves them and not only the rich. Why would they be encouraged to save their hard-earned money only to be given to famous oil & gas companies or the mining firms? A system that meets their values, gives cheap funds, protects their savings and support their communal cultural activities is all they seek.

Conclusion

Like a fast moving wind, Africa is being constantly blown in three directions – toward her own indigenous background, that of the West, and the Semitic religion. Africa then misplaces her real identity and focus. First it was 400 years of recorded slavery, 100 years of colonialism, over 1000 years of indigenous and Islamic cultures and about 60 years of economic dependency which virtually every African nation has experienced. Dependency came with imperialism, gross exploitation and underdevelopment. The capitalism that emerged after independence bred wars, conflicts and poverty while it allowed financial institutions to function without developing the real economy. Instead, it financed the greedy political and business class leading to wider socio-economic inequalities. This

liberalization pierced deep into the financial system causing developmental banking agenda such as Islamic finance, micro-finance and agent banking to be insensitive to the plight of the bottom segment. It is in this regard that a unique kind of financial inclusion that reduces poverty is put on the table for discussion – the new developmental integral banking agenda.

Notes

¹ M. Meredith, *The State of Africa – A History of the Continent Since Independence*, (London: Simon & Schuster UK Ltd, 2011), pp. 96-123.

² D. Acemoglu and J. A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity and Poverty*, (London: Profile Books, 2012), pp. 395-398.

³ Ibn Khaldun, *The Muqaddimah – An Introduction to History*, (Oxfordshire, Princeton University Press, 2015), pp. 59.

⁴ B. Davidson, *The Lost Cities of Africa*, (NY: Little, Brown and Company, 1987), pp. xiv.

⁵ B. Davidson, *The Lost Cities of Africa*, (NY: Little, Brown and Company, 1987), pp. xv.

⁶ B. Davidson, *The Lost Cities of Africa*, (NY: Little, Brown and Company, 1987), pp. xv.

⁷ The works of Late Professor Ali Mazrui was highlighted by Professor Ronnie Lessem and Professor Alexander Schieffer during the launching of the book titled, “An Integral Approach to Development Economics – Islamic Finance in an African Context”, at Protea Hotel, Lagos, Nigeria on the 20th Day of March, 2014.

⁸ W. Soyinka, *Of Africa*, (New Haven: Yale University Press, 2012), pp. 120-127.

⁹ G. Thilmans, *Facts about Slavery*, (Dakar, ed. Musee Hist. Senegal (Goree), IFAN Ch.A.D, 2010), pp. 27.

¹⁰ M. P. Todaro and S. C. Smith, *Economic Development*, (Upper Saddle River, NJ: Pearson Education, 2009), pp. 122-126.

¹¹ B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp. 121.

¹² B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp.120-123.

¹³ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model was analysed.

¹⁴ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model was analysed.

¹⁵ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model was analysed.

¹⁶ W. Soyinka, *Of Africa*, (New Haven: Yale University Press, 2012), pp. 55-70.

¹⁷ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model by Professor Ali Mazrui was analysed.

¹⁸ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model was analysed.

¹⁹ D. Acemoglu and J. A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity and Poverty*, (London: Profile Books, 2012), pp. 368-403.

²⁰ R. Lessem and A. Schieffer, *Integral Research and Innovation: Transforming Enterprise and Society*, (Farnham: Gower Publishing, 2010), pp. 36-37.

²¹ B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp. 72.

²² EFINA, *Access to Finance Services in Nigeria: Key Findings – National Survey*, (Lagos, Nigeria: Enhancing Financial Innovation and Access, 2012). <http://www.efina.org.ng/assets/ResearchDocuments/2013-Documents/EFInA-Access-to-Financial-Services-in-Nigeria-2012-surveyKey-Findings2.pdf>. Accessed 25 June, 2015.

²³ B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp. 64.

²⁴ B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp. 111.

²⁵ S. D. Rima, *Spiritual Capital Theory and Economic Transformation: A US Perspective*, (Farnham: Gower Publishing, 2012), pp. 106-110.

²⁶ R. Lessem and A. Schieffer, *Integral Research and Innovation: Transforming Enterprise and Society*, (Farnham: Gower Publishing, 2010), pp. 37.

²⁸ A. Kohli, *State-directed Development – Political Power and Industrialization in the Global Periphery*, (Cambridge: Cambridge University Press, 2004), pp. 62-83.

²⁹ Extracts from presentation made at the book launch in Lagos where the African Triple Heritage model was analysed.

³⁰ B. A. Oshodi, *An Integral Approach to Development Economics – Islamic Finance in an African Context*, (Farnham: Gower Publishing, 2014), pp. 209.