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AFRICA: PROF. MARTIN NKAFU NKEMNKIA PROPOSES AFRICAN CENTRAL BANK

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GD - Rome, 23 Oct. 24 - In Rome to participate in the VI Congress of Meritocracy Italy, Prof. Martin Nkafu Nkemnkia, among other things a professor at some authoritative Vatican universities and promoter of the International Foundation NCDEIF Nkemnkia Africa/Europe, fascinated the participants with his proposals for the future of Africa. Starting from that of establishing an African Central Bank.

Ciro Maddaloni interviewed him for the newspaper GIORNALE DIPLOMATICO.

Q.: Prof. Nkemnkia, what is the potential of the African continent?

* Prof. Martin Nkafu Nkemnkia: «The African continent has immense potential because “it is not only rich in minerals”. The vastness of the territory and the quality of the soil make Africa the area of the planet that is best suited for agricultural production and livestock breeding».

Q.: So what are the brakes that block this potential?

* Prof. Martin Nkafu Nkemnkia: «One of the problems that today prevents the full development of the continent is the lack of coordination and collaboration between the 54 independent states that are part of the African continent. All 54 African states are fully recognized at an international level and are members of both the United Nations and the African Union».

Q.: So what is missing?

* Prof. Martin Nkafu Nkemnkia: «To strengthen relations between African countries and to support economic development, a fundamental piece is still missing: an African Central Bank capable of issuing a continental currency, which can be adopted by all countries that are part of the African Union and that wish to join this initiative».

Q.: How do you think this new African Union Bank could be created?

* Prof. Martin Nkafu Nkemnkia: «Our reference model is the European Central Bank. The ECB has the task of issuing the Euro, the common currency adopted by 20 countries (out of 27) that are part of the European Union. The European Common Currency allows member countries to be able to carry out economic transactions protected from fluctuations and variations in exchange rates between the different national currencies, something that occurred before the adoption of the Euro; and which generated many problems (and additional costs) for the Union economic system».

Q.: Do you think that the “single currency” issued by a future African Central Bank could allow the member countries to obtain the same advantages that the European countries that have joined the Euro have obtained?

* Prof. Martin Nkafu Nkemnkia: «Having a certain reference for economic transactions would give all countries that decide to adopt this currency the possibility of greater power in exchange relations with other reference currencies at a global level. Specifically, with the US dollar and the Euro. A Single African Currency, independent of other currencies and accepted internationally, can promote trade by eliminating the need to change currency; reducing the costs and complexities related to international transactions both within the African area and towards the rest of the world, thus promoting trade and stimulating economic growth. With a single continental currency it will be easier to compare the prices of products and services between different countries, therefore greater transparency of prices for the benefit of consumers and businesses».

Q.: In Europe, several countries are not so satisfied with having decided to adopt a common currency such as the Euro. What benefits do you see beyond those already mentioned and do you see any risks?

* Prof. Martin Nkafu Nkemnkia: «The elimination of exchange rate risk linked to the currency of a single African country or a group of African countries makes investments more stable and allows for attracting foreign investment and capital to the advantage of all. A single currency, guaranteed by the African Central Bank, can contribute to greater monetary stability, reducing the risk of devaluations and excessive inflation, which is one of the plagues that afflict many African countries. A single currency for the entire continent can increase the confidence of creditor countries and the International Banking System and can protect individual countries from the risk of increased indebtedness resulting from the devaluation of the local currency of a single country, something that also happened in Europe where the most indebted countries were protected from international speculation by the ECB».

Q.: So a technical solution for managing exchange rates and trade relations?

* Prof. Martin Nkafu Nkemnkia: «Not only that! A single African currency will also be the symbol of cooperation and sharing of development goals for all those countries of the continent that will join the initiative, helping to facilitate and strengthen economic and political ties between member countries. The new single African currency could become a point of reference for trade, to and from Africa, for foreign investments in Africa and for international donations, increasing the economic and political weight of the African Union on the international scene.

A single African currency will facilitate the implementation of the proposal put forward by Italy called "Piano Mattei" which aims to promote sustainable development in Africa, investing in key sectors such as energy, infrastructure, agriculture and digitalization, creating solid and lasting economic partnerships between Italian and European companies and African ones, equal cooperation, avoiding any form of paternalism and promoting interdependence between peoples; the principle of equality and reciprocity in every sector of cultural and economic exchange. An optimal situation for the benefit of all: the desired Win/Win situation».

Cyrus Maddaloni

Source: **Ciro Maddaloni**