

## OTHER NATIONS

## The Little Island That Could

**THE SOURCE:** “Mauritius: African Success Story” by Jeffrey A. Frankel, in *National Bureau of Economic Research Digest*, May 2011.

TINY MAURITIUS, AN ISLAND nation in the Indian Ocean, is one of the richest, healthiest, and best-governed sub-Saharan African countries. Its per capita gross domestic product grew at an average rate of more than five percent annually from 1970 to 2010. (Africa’s average was about one percent.) It is consistently at the very top of regional rankings for governance and rule of law. Its life expectancy tops 70 and its literacy rate hovers around 90 percent. What is the secret to Mauritius’s success?

It’s not too hard to name sound institutions as important, but that answer doesn’t go deep enough, says Jeffrey A. Frankel of the Kennedy School of Government, at Harvard. How did those institutions come to be?

He cites two key achievements: the establishment of a strong manufacturing sector following independence in 1968 and the ability to

The tiny island of Mauritius is one of sub-Saharan Africa’s great success stories, but the reasons are not easy to describe—or duplicate.

cal scientists believed such freedoms were incompatible with authoritarian rule, that a regime that made such allowances would be “inherently fragile.” But Krastev argues that this openness actually weakens opposition and dissent.

Open borders have enabled dissatisfied citizens—potential activists—to leave the country for greener shores, Krastev says. “Why try to turn Russia into Germany, when there is no guarantee that a lifetime is long enough for that mission, and when Germany is but a short trip away?” One Russian economist recently estimated that more than “two million Russian democrats have left the country in the last decade,” Krastev notes.

At first glance, the new authoritarianism’s lack of a defining ideology seems a weakness, but the absence of a driving vision is actually a source of strength. The Russian government has no ideology beyond an insistence on not being lectured by the United States. Dissidents have nothing to attack, no “ideal against which the regime can be measured and found wanting.” In fact, Krastev observes, many post-Soviet elites view “communist ideology as one of the old regime’s weaknesses,” rather than a unifying force. Moreover, Western powers do not fear the export of a Russian ideology as they once did, and thus they too do not try to undermine the Russian regime.

Krastev says that the new Russian authoritarianism won’t implode the way communism did, but will instead slowly decline. “It is not,” he says, “‘after [Vladimir] Putin, the deluge,’ but ‘after Putin, the dry rot.’”

navigate economic shocks over the years.

But still this answer doesn’t satisfy. What made those achievements possible? Frankel points to five factors: the lack of a standing army, which has allowed the country to put more money into education and health; the establishment of a special export zone that has protected domestic businesses from high taxes and high minimum wage requirements; the good luck of receiving trade preferences from several rich former colonial powers (in part due to Mauritius’s location en route to East Asia); astute diplomacy in early trade negotiations; and a competitively valued currency.

Frankel says that Mauritians also have capable leaders to thank—particularly the first prime minister, Seewoosagur Ramgoolam, who held office from 1968 to 1982—for smart choices, in addition to a parliamentary system that has ensured minority representation.

Still, there may be more to the Mauritian puzzle. Before the Dutch landed there in 1598, Mauritius was completely uninhabited. Frankel says that the lack of an indigenous population has spared the country the ethnic conflict that can emerge when a native group must grapple with colonists and other immigrants. It may be no accident that two other African countries that often rank highly are Seychelles and Cape Verde—both island states lacking an indigenous population.

That’s not to say, though, that Mauritius’s policies can’t be replicated elsewhere in Africa, only that it could be hard to do so.