## Financing Africa

## Through the Crisis and Beyond

Thorsten Beck
Samuel Munzele Maimbo
Issa Faye
Thouraya Triki





## Contents

xi
xiii
xv
1
1
3
3
7
9
16
23
27
27
27
36
59
68
74
77
77
78
85
88

## vi Contents

Demand-Side Constraints	102
Technology: The New Silver Bullet?	105
Pushing Out the Frontier: The Role of Governments and Donors	111
The Role of Government: Looking beyond Institution Building	113
From Agricultural Credit to Rural Finance	119
SME Finance: Continuing Challenges	127
Conclusions	137
4. Lengthening Financial Contracts	141
Introduction	141
Africa's Long-Term Financing Gap	142
Optimizing the Current Possibilities for Expanding Long-Term Finance	145
Tapping International Markets	164
The Changing Global Environment: Tales of Dragons and Elephants Pushing toward the Frontier and Beyond: A Long-Term Agenda	178
with Tricky Shortcuts	180
Conclusions	190
5. Safeguarding Financial Systems	193
Introduction	193
Stability: We Have Come a Long Way	194
Bank Regulation and Supervision: New Challenges in a Changing Environment	197
Looking beyond Banks: How to Regulate Which Segments of the	
Financial System	213
Focusing on Users: Consumer Protection	218
Conclusions	223
6. All Financial Sector Policy Is Local	227
Introduction	
Modernist Reform Policies: Africa's Achilles Heel	227
The Activist Reform Agenda Revisited: Larger, More Efficient, and Stable Financial Markets	229
The Politics of Financial Sector Reform	234
The Stakeholders	240
Redefine the Role of Government with the Necessary Safeguards	245
One Size Does Not Fit All	247
Conclusions	256