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AFRICAN STATES IN THE GLOBAL POLITICAL ECONOMY: POWER, COMPLIANCE, AND POLICY TRANSFER IN NIGERIA, GHANA, AND KENYA, 2015-2025

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ABSTRACT
African states operate within a global political economy characterised by significant asymmetries in financial, institutional, and rule-making power. This study examines how these structural inequalities shape African states' compliance with external rules and the transfer of economic and governance policies, and assesses their implications for development and policy autonomy. Anchored in Institutional Political Economy and Dependency Theory, the study analyses the mechanisms through which global financial and governance institutions influence domestic policy choices while interacting with national political interests and institutional conditions. Methodologically, the study adopts a qualitative comparative research design focusing specifically on Nigeria, Ghana, and Kenya, three African states with substantial histories of engagement with International Financial Institutions (IFIs), externally promoted economic reforms, and global governance frameworks. The analysis draws on approximately twenty five documents and scholarly sources, comprising IMF and World Bank programme documents and reports, national policy and development strategy documents, publications of African regional institutions, and relevant peer-reviewed scholarly literature. The findings demonstrate that compliance is driven less by direct coercion than by structural dependence on external finance, reputational pressures within global markets, and the incentives of domestic political elites. Policy transfer occurs principally through conditionality, technical assistance, policy learning, and emulation, but rarely produces uniform outcomes. Instead, differences in domestic institutional capacity, political interests, and resistance generate selective adoption, policy hybridisation, implementation gaps, and symbolic compliance across Africa. The study concludes that African states are neither wholly passive rule-takers nor fully autonomous actors. It recommends regionally coordinated bargaining, selective and context-sensitive policy adaptation, and stronger domestic institutional capacity to enhance African agency and improve developmental outcomes within the global political economy.

Keywords: African States, Compliance, Global Political Economy, Institutional Political Economy, Policy Transfer, Power Asymmetry.

Introduction

The contemporary global political economy is characterised by pronounced inequalities in economic power, financial resources, and institutional influence that shape both the behaviour of states and the range of policy choices available to them. Although globalisation has intensified economic interdependence, it has also reproduced hierarchical relationships in which powerful states and international institutions exercise disproportionate influence over global economic rules, development finance, and policy agendas. African states occupy a particularly complex position within this structure. While they possess formal sovereignty and participate in international organisations, many remain constrained by dependence on external finance, commodity exports, foreign investment, and international capital markets. These conditions can limit policy autonomy and increase the influence of external institutions over domestic economic governance. The historical experience of structural adjustment illustrates this relationship, as the International Monetary Fund (IMF) and World Bank used lending conditionality, policy surveillance, and technical assistance to promote fiscal discipline, privatisation, deregulation, trade liberalisation, and public-sector reforms across African economies (Woods, 2006; Babb, 2013).

Nevertheless, Africa's relationship with global economic institutions cannot be adequately explained as a simple process of external coercion and passive compliance. Governments make policy choices within domestic political and institutional environments, and externally promoted reforms may coincide with the interests of political elites, technocratic actors, or governments seeking finance, international credibility, and policy expertise. Compliance can therefore emerge from the interaction of structural dependence, reputational incentives, domestic political calculations, and institutional constraints rather than from direct external compulsion alone (Mosley et al., 1995). This perspective also provides space for African agency because governments may negotiate, selectively implement, reinterpret, delay, or resist externally promoted policies. Consequently, the critical analytical issue is not simply whether international institutions influence African states, but how global structural power interacts with domestic institutions and political interests to determine the extent and character of compliance.

Policy transfer provides an important mechanism for understanding this interaction. Policy transfer describes the process through which knowledge of policies, institutions, and administrative arrangements in one political setting informs policy development in another (Dolowitz & Marsh, 2000). In African states, such transfer occurs through conditional lending, technical assistance, policy surveillance, transnational professional networks, development partnerships, and the emulation of internationally recognised policy models. These channels have facilitated the diffusion of fiscal consolidation, public-sector reform, regulatory restructuring, privatisation, and market-oriented governance practices. Yet transferred policies are rarely reproduced unchanged. Domestic political resistance, variations in administrative capacity, institutional legacies, and competing development priorities frequently produce selective adoption, policy hybridisation, implementation gaps, and sometimes symbolic compliance. This helps explain why the diffusion of similar policy prescriptions has generated divergent outcomes across African states and why macroeconomic reform has not necessarily translated into sustained structural transformation and industrial diversification (Mkandawire, 2005).

The study focuses on 2015-2025, a period that provides an analytically significant window for examining changing relations between African states and the global political economy. The adoption of the Sustainable Development Goals in 2015 reshaped international development priorities, while the subsequent decade witnessed expanding South-South cooperation, growing involvement of emerging development actors, and intensified demands for reform of multilateral

financial governance. More importantly, the COVID-19 pandemic generated severe fiscal and economic shocks across Africa, increasing borrowing requirements, public debt vulnerabilities, and demand for emergency multilateral financing. Post-pandemic fiscal pressures subsequently renewed debates over debt restructuring, austerity, development financing, and the conditions attached to international financial assistance. Thus, 2015-2025 captures both the persistence of established relationships with the IMF and World Bank and an evolving international environment in which African governments have increasingly sought greater representation, bargaining power, and alternatives within the global financial architecture.

Against this background, the study comparatively examines Nigeria, Ghana, and Kenya as important cases for understanding how African states navigate structural power, external policy expectations, and domestic political constraints. The three countries provide useful comparative settings because each has experienced substantial engagement with international financial institutions and externally supported economic and governance reforms, while differing in their political economies, fiscal conditions, institutional capacities, and responses to external policy prescriptions. The central research question is therefore: How do structural power relations in the global political economy influence patterns of compliance and the transfer of economic and governance policies into Nigeria, Ghana, and Kenya, and with what developmental consequences? Addressing this question enables the study to move beyond treating Africa as a homogeneous policy space and instead investigate how similar international pressures are mediated through different domestic institutional and political contexts.

Anchored in Institutional Political Economy and Dependency Theory, the study argues that African states are neither entirely passive recipients of externally generated policies nor fully autonomous actors within the global economic system. Compliance with externally promoted policy frameworks is shaped by the interaction of structural dependence on external finance, reputational pressures in global markets, domestic elite incentives, and institutional capacity. Similarly, policy transfer through conditionality, technical assistance, policy learning, and emulation does not necessarily produce uniform implementation; rather, domestic conditions can generate adaptation, hybridisation, resistance, and partial compliance. By examining these processes comparatively in Nigeria, Ghana, and Kenya between 2015 and 2025, the study contributes to debates on African agency, policy autonomy, and development governance by demonstrating how structural constraints and domestic political institutions jointly shape the developmental consequences of Africa's engagement with the global political economy.

Theoretical Framework

The study adopted Institutional Political Economy and Dependency Theory as its analytical frameworks. Institutional Political Economy (IPE) emerged from debates in economics and political science concerning the role of institutions in shaping economic behaviour, governance, and development outcomes. Its contemporary foundations are strongly associated with New Institutional Economics, particularly the work of North (1990), who conceptualises institutions as formal and informal rules that structure incentives and constrain the behaviour of political and economic actors. Institutional analysis was further developed within political science to demonstrate how laws, norms, bureaucratic arrangements, and historically established practices influence political behaviour and policy outcomes (Hall & Taylor, 1996). From this perspective, economic policy is not simply a technical response to market conditions but an outcome of interactions among institutions, political interests, and economic actors (North, 1990; Acemoglu & Robinson, 2012).

Within the global political economy, IPE provides a useful framework for understanding how international institutions influence national policy choices. Institutions such as the International Monetary Fund (IMF) and World Bank exercise influence through conditional lending, policy surveillance, technical assistance, knowledge production, and the dissemination of internationally accepted policy standards. These mechanisms shape national approaches to fiscal management, financial regulation, public-sector governance, and market reform (Woods, 2006; Stone, 2011). Governments may comply with such institutional expectations because doing so facilitates access to external finance, strengthens international credibility, reassures investors, or supports domestic reform objectives. Compliance therefore does not necessarily result from direct coercion but may reflect incentives embedded within international institutional arrangements (Vreeland, 2007).

IPE also emphasises the importance of domestic institutions in mediating externally promoted policies. National bureaucracies, political elites, legislatures, and societal interests influence how international policy prescriptions are interpreted and implemented. Consequently, similar external reforms can produce different outcomes across countries because of variations in institutional capacity, political incentives, administrative traditions, and domestic resistance. Transferred policies may therefore be modified, selectively implemented, delayed, or combined with existing arrangements, resulting in policy hybridisation rather than straightforward institutional convergence (Babb, 2013; Kentikelenis & Babb, 2019). This perspective is particularly relevant to Nigeria, Ghana, and Kenya, where engagement with international financial institutions has occurred within different domestic political and institutional environments.

Dependency Theory complements this institutional perspective by directing attention to the structural inequalities underlying the global political economy. Associated particularly with Frank (1967) and Amin (1976), Dependency Theory argues that the international capitalist system is characterised by hierarchical relations between economically dominant core states and peripheral economies. Developing economies frequently depend on external sources of capital, technology, investment, markets, and development finance, creating unequal relationships that can restrict autonomous development strategies. For African states, historical dependence on commodity exports, foreign capital, imported technology, and external borrowing has contributed to persistent vulnerability to changes in international markets and financial conditions.

From a dependency perspective, relationships between African governments and international financial institutions take place within unequal distributions of material and financial power. Governments experiencing debt distress, fiscal deficits, foreign-exchange shortages, or restricted access to international capital markets may have limited alternatives when negotiating external financial assistance. Policy conditionality must therefore be understood within a broader structural context in which access to essential financial resources can strengthen the bargaining position of international lenders. Dependency Theory consequently helps explain why formally sovereign states may nevertheless experience constraints on economic policy autonomy and why integration into global markets does not automatically produce structural transformation (Frank, 1967; Amin, 1976).

The theory is equally important for evaluating the developmental consequences of transferred economic policies. While reforms involving liberalisation, fiscal consolidation, privatisation, and regulatory restructuring may contribute to macroeconomic stabilisation, Dependency Theory raises questions about whether such policies strengthen domestic productive capacity, economic diversification, technological development, and long-term policy autonomy. It therefore extends the analysis beyond whether African states comply with external policy

expectations to whether the resulting reforms transform or reproduce their structurally dependent position within the global economy.

The two theories are combined because they explain different but interconnected dimensions of the same phenomenon. Institutional Political Economy explains how international institutions influence policy choices through conditionality, surveillance, technical assistance, policy learning, and incentives, while Dependency Theory explains why these interactions frequently occur within unequal structural relationships characterised by dependence on external finance, technology, and markets. Applied to Nigeria, Ghana, and Kenya, the combined framework links global structural constraints with the domestic institutional processes through which external policies are accepted, negotiated, resisted, adapted, or selectively implemented. The synthesis therefore avoids portraying African states either as passive recipients of external prescriptions or as completely autonomous actors; instead, it conceptualises their behaviour as constrained agency, whereby governments exercise bargaining and adaptive capacity within unequal global structures. This framework guides the study's analysis of variations in compliance, policy transfer, policy hybridisation, and developmental outcomes across the three countries.

Methodology

This study adopted a qualitative comparative research design to examine how structural power relations and global governance institutions influence policy compliance and policy transfer in African states. A qualitative approach was appropriate because the study sought to explain the institutional and political processes through which externally promoted economic and governance policies are transmitted, negotiated, adapted, and implemented within different national contexts. Documentary analysis constituted the principal method of data collection, enabling systematic examination of both international policy prescriptions and domestic responses during the 2015-2025 study period.

The documentary corpus comprised twenty five documents and scholarly sources published between 2015 and 2025, supplemented where necessary by seminal theoretical literature predating the study period. The materials consisted of IMF programme documents, Article IV consultation reports and policy reviews; World Bank development and economic reports; national development plans, fiscal and economic reform strategies, and other official policy documents from Nigeria, Ghana, and Kenya; relevant publications of African regional institutions; and peer-reviewed scholarly studies addressing international financial institutions, policy conditionality, policy transfer, and African political economy. Documents were purposively selected where they addressed at least one of the study's principal analytical concerns: external financing and conditionality, fiscal and macroeconomic reform, governance and institutional reform, policy transfer, compliance, or domestic responses to externally promoted policies. Documents without substantive relevance to these themes were excluded. This procedure established a clearly defined body of evidence corresponding to the study's temporal and analytical boundaries.

Nigeria, Ghana, and Kenya were purposively selected to provide comparative variation while retaining sufficient similarities for meaningful analysis. All three are major sub-Saharan African economies that experienced sustained interaction with the IMF, World Bank, international capital markets, and externally supported reform programmes during 2015-2025, making them appropriate cases for examining the relationship between structural dependence and policy compliance. At the same time, they differ in economic structure, debt and fiscal conditions, institutional capacity, political competition, and the nature and intensity of their engagement with international financial institutions. Ghana's recurrent IMF-supported programmes provide a case of comparatively intensive programme engagement; Kenya offers an important case of externally

supported fiscal and governance reforms accompanied by significant domestic political contestation; while Nigeria provides a large, resource-dependent economy in which governments have combined engagement with international financial institutions with varying degrees of resistance, selective adoption, and domestic adaptation. The cases were therefore selected not to represent the entire African continent statistically, but to facilitate theoretically informed comparison of how similar global pressures are mediated by different domestic political and institutional conditions.

The documents were analysed through manual thematic coding and comparative thematic synthesis rather than computer-assisted qualitative data analysis software. Analysis proceeded in stages. First, the documents were read systematically to identify material relevant to the research question. Second, relevant passages were coded according to an initial set of theoretically informed categories derived from Institutional Political Economy and Dependency Theory, including external financial dependence, conditionality, reputational pressure, technical assistance, policy learning and emulation, domestic elite incentives, institutional capacity, resistance, and policy autonomy. Third, additional themes emerging from the documents were incorporated into the coding framework. Related codes were subsequently organised into broader analytical themes and compared across Nigeria, Ghana, and Kenya. Particular attention was given to identifying similarities and differences in the mechanisms of policy transfer and the resulting patterns of compliance, selective adoption, resistance, implementation gaps, and policy hybridisation.

To strengthen analytical credibility, evidence from IMF and World Bank documents was triangulated with national policy documents, regional institutional publications, and independent peer-reviewed scholarship. Claims were accepted as significant findings where they could be corroborated across multiple sources or where contrasting evidence could be explicitly evaluated. A comparative matrix was used to organise evidence by country, policy mechanism, domestic response, and developmental consequence, thereby supporting systematic cross-case comparison. Nevertheless, reliance on documentary evidence creates limitations because official documents may reflect institutional interests and may not fully capture informal negotiations or subnational implementation processes. The study therefore does not claim statistical generalisability; rather, it seeks analytical generalisation by identifying mechanisms through which structural power and institutional conditions shape compliance and policy transfer across the three cases.

Structural Dependence and Financial Conditionality

The evidence from the documents shows that dependence on external finance continues to shape the room available to many African governments when making major economic policy choices. Although domestic resource mobilisation and regional economic integration have received increasing policy attention, fiscal deficits, debt-service obligations, infrastructure financing needs, and limited access to affordable capital continue to push governments towards multilateral and other external sources of finance. The scale of this vulnerability is captured by the African Development Bank's assessment that “the total external debt of Africa was estimated at $1.1 trillion in 2022” (African Development Bank [AfDB], 2023). The Bank further reported that 25 African countries were either at high risk of debt distress or already in debt distress (AfDB, 2023).

These figures matter beyond the size of Africa's debt. They reveal an underlying imbalance in bargaining power. A government struggling to meet debt obligations, stabilise its currency, finance essential public services, or regain access to international capital markets does not negotiate new financing from the same position as a government with substantial fiscal reserves and multiple financing alternatives. External dependence therefore has practical

consequences for policy autonomy. International financial institutions may not formally dictate national policies, but their financial importance gives considerable weight to the reforms associated with their lending programmes. This is where the argument of Dependency Theory becomes particularly relevant: formal sovereignty can coexist with material conditions that substantially narrow the policy alternatives available to governments.

Ghana offers perhaps the clearest illustration among the three cases. By 2022, the country was confronting severe fiscal and external pressures, declining reserves, currency depreciation, high inflation, restricted domestic financing, and loss of access to international capital markets. The IMF's own assessment is unusually direct: "Ghana remains in debt distress", while its debt was assessed as unsustainable (IMF, 2024). Under such conditions, returning to the IMF was not simply an abstract preference for one model of economic governance over another; it reflected an urgent need to restore macroeconomic stability, restructure debt, and mobilise external financing.

In May 2023, the IMF Executive Board consequently approved a 36-month Extended Credit Facility of SDR 2.242 billion, equivalent to approximately US$3 billion, for Ghana (IMF, 2023). The programme involved much more than the transfer of financial resources. It was accompanied by commitments relating to fiscal adjustment, domestic revenue mobilisation, public financial management, monetary policy, exchange-rate flexibility, and reforms in the energy and cocoa sectors. The IMF described the programme as seeking to "restore macroeconomic stability and debt sustainability" while creating the basis for stronger and more inclusive growth (IMF, 2023).

The documentary evidence nevertheless shows why conditionality should not automatically be described as external coercion. Ghanaian authorities participated in negotiating the programme and formally committed themselves to the reform agenda. Indeed, the statement representing the Ghanaian authorities described the ECF as supporting their domestic policy and reform agenda and noted their commitment to implementing the programme (IMF, 2023). This is important because it reveals a more complicated relationship than a simple lender-versus-borrower narrative. Domestic governments can actively seek external programmes because they provide finance, credibility, technical support, and political leverage for reforms that national policymakers may already consider necessary.

Yet government ownership does not erase the structural imbalance surrounding such negotiations. Ghana entered the 2023 programme after losing international market access and experiencing increasingly constrained domestic financing. The IMF itself acknowledged that "large external shocks" had intensified the country's pre-existing fiscal and debt vulnerabilities and contributed to an acute economic crisis (IMF, 2023). The choices facing policymakers were therefore real but restricted. Ghana could negotiate aspects of the programme and determine how some reforms were implemented, but its financial circumstances significantly reduced its capacity simply to reject external assistance and pursue an entirely independent adjustment strategy.

The subsequent implementation of the programme also demonstrates that compliance is neither automatic nor complete. By the second review in June 2024, the IMF reported that Ghana had met all quantitative performance criteria and almost all indicative targets, while progress had also been recorded in debt restructuring and structural reforms (IMF, 2024). However, developments surrounding the 2024 general election exposed the limits of externally agreed reform commitments when they encounter domestic political pressures. By April 2025, the IMF reported that "fiscal slippages in the run-up to the elections" had contributed to accumulated payables, while inflation exceeded programme targets and several reforms were delayed (IMF, 2025). This shift is particularly revealing: the same government operating under the same IMF programme could

demonstrate relatively strong compliance at one stage and depart from programme expectations when electoral and domestic pressures intensified.

Ghana therefore illustrates the interaction between structural dependence and domestic agency at the centre of this study. Dependency Theory helps explain why severe financing constraints and reliance on external resources weaken bargaining autonomy, whereas Institutional Political Economy explains why the resulting policies are mediated through negotiations, institutional rules, incentives, and domestic political interests. The relationship is neither one of complete external domination nor unrestricted national autonomy. Rather, Ghana demonstrates constrained agency: policymakers retain the ability to negotiate, adapt, sequence, and sometimes deviate from externally supported reforms, but they exercise those choices within financial circumstances that make some alternatives considerably more costly than others.

The broader evidence consequently suggests that contemporary globalisation has transformed rather than eliminated dependency. Financial influence today is often exercised less through explicit commands than through access to credit, debt restructuring, market confidence, technical expertise, and institutional credibility. For African governments facing serious financing gaps, these mechanisms can narrow the range of economically viable choices without formally removing sovereign decision-making authority. The Ghanaian experience therefore provides an important foundation for comparison with Nigeria and Kenya: what varies across the three cases is not simply whether external influence exists, but how the degree of financial vulnerability, domestic institutional capacity, and political incentives determines whether governments comply, negotiate, adapt, resist, or partially implement externally promoted policies.

Reputational Incentives and Global Market Discipline

Beyond direct dependence on external finance, the documents revealed another, less visible source of influence on African economic policy: the need to maintain credibility in international markets. Governments do not respond only to the formal conditions attached to IMF or World Bank financing. They are also conscious of how their fiscal decisions, debt levels, exchange-rate policies, and reform commitments are interpreted by foreign investors, lenders, credit-rating agencies, and development partners. For countries that depend on international borrowing and foreign investment, reputation has material consequences. A government perceived as fiscally unstable or unwilling to implement announced reforms may face higher borrowing costs, weaker investor confidence, or reduced access to international capital. Global market discipline therefore operates without requiring an international institution to issue a direct instruction.

Kenya provides a useful illustration of this relationship. During the study period, successive governments pursued fiscal, financial-sector, public financial management, digital governance, infrastructure, and investment reforms while seeking to position the country as a competitive regional economic hub. The World Bank's assessment of Kenya in 2019 noted that real GDP had expanded by an average of approximately 5.6% between 2014 and 2018 (World Bank, 2019). More importantly for the argument of this study, the Bank described Kenya as experiencing “steady economic growth”, while linking its medium-term prospects to macroeconomic stability, private investment, and continued reforms (World Bank, 2019). This language is significant because it shows how assessments of national economic performance are tied not simply to growth itself but to perceptions of stability, predictability, and the credibility of economic management.

The Kenyan experience also demonstrates that international reputation can become a policy resource in its own right. Maintaining investor confidence can improve a government's

capacity to borrow, attract investment, and finance development programmes. Conversely, fiscal deterioration or political uncertainty can quickly alter market perceptions. The World Bank's 2016 assessment, for example, described Kenya as "one of the bright spots in Sub-Saharan Africa", reporting economic growth of 5.6% in 2015 and projecting 5.9% for 2016 (World Bank, 2016). Such assessments contribute to the wider international narrative through which investors and development partners evaluate national economies. Reputation therefore becomes intertwined with material access to finance rather than remaining a purely symbolic concern.

The documents also reveal how sensitive this credibility can be to domestic political developments. In 2017, Kenya's economic growth was estimated at 4.9%, with the World Bank identifying drought, weak private-sector credit, and election-related uncertainty among the factors contributing to the slowdown (World Bank, 2017). The significance of this evidence lies in the connection between domestic politics and external economic perceptions. Elections, fiscal decisions, protests, or delays in reform can affect investor sentiment and consequently influence governments' calculations about economic policy. International market discipline thus enters domestic policymaking indirectly: political leaders must consider not only whether a policy is popular at home, but also how creditors, investors, and development institutions are likely to interpret it.

The tension became particularly visible during the fiscal pressures of the 2020s. Kenya's economy recovered strongly enough for real GDP growth to reach 5.6% in 2023, compared with 4.9% in 2022 (World Bank, 2024). Yet the broader macroeconomic environment remained difficult because of public debt, fiscal pressures, high financing costs, and constrained government resources. By December 2024, the World Bank projected growth of 4.7% for 2024 and warned that structural imbalances continued to constrain faster and more inclusive development (World Bank, 2024). Significantly, the Bank also identified declining private-sector sentiment as one of the factors affecting economic activity. This provides documentary support for the argument that credibility and market perceptions have tangible consequences for domestic economic performance.

Yet the Kenyan case also exposes the limits of governing primarily with international credibility in mind. Policies regarded by creditors and international institutions as necessary for fiscal sustainability can carry immediate costs for households already struggling with unemployment, taxation, food prices, and declining purchasing power. Fiscal consolidation, higher taxation, subsidy reform, and expenditure restraint may improve external assessments of macroeconomic management while provoking resistance at home. The government is therefore caught between two audiences: external actors looking for fiscal discipline and policy predictability, and citizens expecting employment, affordable services, social protection, and improvements in living standards. What appears to international markets as a credible reform may be experienced very differently by households bearing its immediate costs.

This tension helps explain why reputational discipline should not be interpreted as straightforward external coercion. Institutional Political Economy suggests that governments respond to incentives embedded in the international economic system. Credit ratings, investor confidence, access to international capital, and assessments by multilateral institutions influence the costs and benefits attached to particular policy choices (Stone, 2011; Woods, 2006). Kenyan policymakers may therefore adopt internationally recognised standards not because an external actor directly compels them to do so, but because departing substantially from those standards can increase financing costs and damage the country's international economic standing.

Dependency Theory adds an important structural dimension to this explanation. The power of reputation is greater when a state depends substantially on external capital and international financial markets. A negative shift in investor sentiment matters less to a government with abundant domestic financing alternatives than to one that must continually mobilise foreign resources to finance development and manage debt obligations. Reputational pressure therefore derives much of its force from the unequal material structures within which African economies participate in global finance. In this sense, market discipline and financial dependence reinforce one another.

The Kenyan evidence consequently shows that power within the global political economy does not always operate through explicit conditionality. It can work through something more subtle: the government's continuing concern with how its policies will be judged by investors, creditors, rating agencies, and international institutions. This does not eliminate domestic agency. Kenyan governments continue to negotiate, modify, delay, and sometimes reverse policies in response to political pressures. Rather, it demonstrates the constrained agency identified in this study: policymakers make choices, but they do so knowing that those choices can affect borrowing costs, investor confidence, international credibility, and future access to finance. Reputational incentives therefore constitute an important bridge between global market power and domestic policy compliance.

Domestic Political Incentives and Elite Coalitions

The documentary evidence shows that external influence alone cannot explain why governments adopt, modify, or resist internationally promoted reforms. Domestic political actors are equally important. Presidents, finance ministers, central bankers, senior bureaucrats, technocrats, business interests, and governing coalitions interpret external policy proposals through their own political and economic priorities. International institutions may provide financing, technical expertise, and policy models, but implementation ultimately passes through domestic political institutions. Policy transfer is therefore best understood as an interaction between external pressures and internal interests rather than a one-directional movement of policies from international institutions to African governments.

Nigeria illustrates this interaction particularly clear. The country has a long history of combining engagement with international financial institutions with considerable domestic discretion over the timing and content of economic reform. The 2005-2006 Paris Club agreement provides useful historical context. Nigeria obtained approximately US$18 billion in debt cancellation, equivalent to about 60 per cent of its Paris Club debt, while settling the remaining eligible obligations under the agreement (Paris Club, 2006). The reform programme associated with this period was strongly supported by domestic technocrats who viewed fiscal transparency, improved public financial management, debt governance, and institutional reform as necessary for restoring Nigeria's economic credibility. The episode is important not as evidence from the 2015-2025 study period, but because it established an earlier pattern in which external incentives became influential when they aligned with the priorities of powerful domestic reform constituencies.

Within the actual study period, this interaction between external policy ideas and domestic political calculations became particularly visible in Nigeria's management of exchange rates, fuel subsidies, fiscal reforms, and relations with international financial institutions. Successive governments faced repeated recommendations to reduce costly fuel subsidies, improve domestic revenue mobilisation, strengthen public financial management, and reform the foreign-exchange regime. Yet implementation was uneven because these reforms carried substantial political costs. Fuel subsidy removal, in particular, illustrates why technically recommended

policies cannot be separated from domestic politics. For ordinary Nigerians, subsidy reform was not merely an issue of fiscal accounting; it directly affected transport costs, food prices, household expenditure, and perceptions of government's responsibility for social welfare.

The political sensitivity of these reforms explains why Nigerian governments frequently delayed, modified, or partially implemented measures that international institutions had recommended. The IMF repeatedly identified fuel subsidies and exchange-rate distortions as significant constraints on public finances and economic efficiency. In its assessment of Nigeria, the Fund argued that removing fuel subsidies would create fiscal space for development priorities, while also stressing the need to protect vulnerable households from the social consequences of reform (IMF, 2022). The important point is that the eventual direction of reform reflected more than IMF influence. Domestic technocrats, fiscal pressures, declining oil-revenue performance, state governments, organised labour, business interests, and electoral considerations all shaped when reforms became politically possible.

A particularly significant turning point occurred in May 2023, when President Bola Tinubu announced the removal of the petrol subsidy at his inauguration. The decision corresponded with a reform long advocated by international financial institutions, but describing it simply as an externally imposed policy would overlook the domestic political context. The incoming administration presented subsidy removal as necessary because of its growing fiscal burden and the need to redirect public resources towards other development priorities. The reform therefore illustrates the intersection between international policy prescriptions and domestic elite preferences: an externally endorsed policy became implementable when a governing coalition was prepared to assume ownership of it and justify it as part of its national economic agenda.

The World Bank's assessment of the subsequent reform programme similarly emphasised domestic ownership. In discussing Nigeria's economic reforms, the Bank recognised that the government had initiated significant measures involving the petrol subsidy and foreign-exchange market while confronting substantial short-term economic and social pressures (World Bank, 2023). These developments show that international organisations may reinforce and financially support reform agendas, but domestic political leaders remain crucial in deciding whether reforms are adopted, how quickly they are implemented, and which groups bear their immediate costs.

This interaction also exposes the limits of elite-driven policy reform. Measures that appear economically rational to technocrats can look very different from the perspective of citizens whose daily living costs are immediately affected. The removal of fuel subsidies and exchange-rate adjustment contributed to sharp increases in transportation and consumer costs, intensifying public concern over the social consequences of economic reform. Organised labour and other societal groups consequently demanded wage adjustments and social protection measures. Policy implementation therefore became a process of domestic bargaining rather than the straightforward execution of an externally designed reform package.

Nigeria's experience consequently challenges deterministic versions of Dependency Theory that leave little room for domestic agency. Structural dependence matters because fiscal pressures, debt obligations, foreign-exchange constraints, and the need for external financing affect the alternatives available to policymakers. Yet these constraints do not determine policy automatically. Institutional Political Economy helps explain why reforms advance when international incentives intersect with domestic institutions and influential political coalitions. Domestic actors can use internationally supported reforms to pursue fiscal objectives, enhance policy credibility, mobilise external resources, or strengthen their own reform agendas.

The evidence therefore points to elite-mediated policy transfer rather than simple external imposition. International institutions possess significant resources and agenda-setting capacity, but domestic elites determine how external ideas enter national political processes. When externally promoted reforms align with the preferences of powerful domestic actors, implementation becomes more likely; where reforms threaten influential constituencies or impose politically unacceptable costs, governments may postpone, dilute, or resist them. This supports the broader argument of the study that African states exercise constrained agency: policy choices are made within unequal global structures, but domestic political coalitions remain central to determining the timing, content, and eventual consequences of reform.

At the same time, elite ownership does not necessarily guarantee democratic legitimacy. Technocratic reforms negotiated among governments, international institutions, and economic policy elites may provide limited opportunities for meaningful public participation. When citizens experience reform primarily through higher prices, taxation, reduced subsidies, or constrained public expenditure, perceptions of exclusion can weaken public confidence and generate resistance. The sustainability of policy transfer therefore depends not only on agreement between international institutions and domestic elites but also on whether governments can build broader societal legitimacy around the costs and expected benefits of reform.

Policy Hybridization and Contextual Adaptation

The documentary evidence further demonstrates that policy transfer in Nigeria, Ghana, and Kenya rarely involves the wholesale transplantation of externally developed institutional models. International policy prescriptions encounter existing political institutions, administrative traditions, economic constraints, and competing domestic interests before they are implemented. Governments consequently reinterpret, modify, sequence, and sometimes dilute externally promoted reforms to make them politically and institutionally workable. The result is policy hybridization: arrangements that combine international policy norms with domestic institutions and locally determined priorities. This finding moves the analysis beyond the simple question of whether African governments comply with or resist external pressure. In practice, compliance and adaptation frequently occur simultaneously.

Nigeria provides a clear illustration. International financial institutions have consistently advocated reforms relating to fuel subsidies, exchange-rate management, revenue mobilisation, social protection, and public financial management. Yet implementation has rarely followed external prescriptions exactly. Fuel subsidy reform, for example, was repeatedly postponed or partially implemented because successive governments confronted organised labour, public opposition, electoral calculations, and concerns about the effects of higher fuel prices on household welfare. Even after the subsidy was removed in 2023, the government introduced compensatory measures and entered negotiations over wages and social protection. The resulting policy was therefore not simply an imported fiscal prescription; it became a domestically negotiated reform shaped by Nigeria's political economy and the everyday consequences of adjustment for citizens.

Ghana displays a similar pattern under its IMF-supported reform programmes. Although the 2023 Extended Credit Facility established quantitative targets and structural reform commitments, implementation remained embedded within Ghanaian institutions and political processes. The IMF itself recognised the importance of programme ownership, noting that the authorities' programme sought to restore macroeconomic stability and debt sustainability while protecting vulnerable groups (IMF, 2023). Fiscal consolidation was therefore accompanied by social-protection considerations, while reforms in taxation, public financial management, state-owned enterprises, and the energy sector were implemented through existing national institutions.

The Ghanaian experience demonstrates that accepting an externally supported programme does not remove domestic discretion over sequencing, administration, and political management.

Kenya provides further evidence of adaptation rather than mechanical policy copying. International institutions have promoted fiscal consolidation, stronger domestic revenue mobilisation, public financial management reforms, private-sector development, and improved social protection. Yet efforts to translate these priorities into national policy have repeatedly encountered domestic political resistance. The controversy surrounding taxation and fiscal adjustment illustrates this tension particularly clearly. Measures intended to strengthen government revenue and debt sustainability became politically contentious when citizens interpreted them through the more immediate realities of household income, employment, prices, and living costs. The resulting negotiations, modifications, and reversals demonstrate that technically coherent reforms can become politically unsustainable when insufficient attention is given to their distributional consequences.

These experiences show why policy transfer is better understood as translation and adaptation rather than replication. Stone (2004) argues that policies moving across political systems are interpreted through different institutional and political environments rather than reproduced unchanged. Similarly, Dolowitz and Marsh (2000) recognise that transfer can range from relatively direct copying to combinations, adaptation, and inspiration. The evidence from Nigeria, Ghana, and Kenya supports this interpretation. External policy ideas provide important reference points, but their eventual form is determined through negotiations involving political leaders, bureaucracies, technocrats, interest groups, citizens, and international institutions.

Policy hybridization is particularly visible where governments accept the broad objectives of internationally promoted reforms but modify the instruments through which those objectives are pursued. A government may accept the need for fiscal consolidation while changing its timing; endorse subsidy reform while introducing compensatory social programmes; adopt international public financial management standards while implementing them through existing bureaucratic structures; or agree to revenue mobilisation targets while negotiating which taxes are politically feasible. Such adjustments should not automatically be interpreted as policy failure. In some circumstances, adaptation may be necessary to prevent externally designed policies from colliding with domestic institutional capacity or imposing politically unsustainable social costs.

At the same time, hybridization can have less positive consequences. Governments may formally adopt international standards to satisfy lenders and signal compliance while implementation remains incomplete. Institutional reforms can therefore exist convincingly in legislation and official policy documents without producing equivalent changes in administrative practice. This distinction between formal adoption and substantive implementation is important because it helps explain why similar reforms produce different developmental outcomes across countries. What matters is not simply whether a policy has been transferred, but how deeply it becomes embedded within domestic institutions and whether governments possess the administrative and political capacity to implement it.

Institutional Political Economy provides a useful explanation for this process because domestic institutions mediate the incentives generated by international rules. Governments respond to external financing requirements and reputational pressures, but their responses are filtered through bureaucratic capacity, political coalitions, electoral incentives, and societal interests. Dependency Theory simultaneously reminds us that this adaptation occurs within unequal structural conditions. African governments may negotiate the form and timing of reform,

but dependence on external finance and international markets can limit their ability to reject the broader reform agenda altogether.

Policy hybridization therefore provides some of the clearest evidence of the constrained agency identified in this study. Nigeria, Ghana, and Kenya are neither passive rule-takers nor entirely autonomous policymakers. They negotiate within limits, accept some external prescriptions, modify others, and occasionally resist measures whose political or social costs become unacceptable. Their experience demonstrates that African agency is found not only in outright resistance to global policy norms but also in the quieter processes of negotiation, sequencing, reinterpretation, and selective implementation through which externally promoted policies are transformed into domestic policy.

Overall, the findings demonstrate that compliance in the global political economy emerges from the interaction of structural financial dependence, reputational incentives, domestic political coalitions, and contextual adaptation. External institutions influence the incentives and policy options confronting African governments, but they do not determine domestic outcomes mechanically. Nigeria, Ghana, and Kenya retain meaningful capacity to negotiate and reshape externally promoted reforms, although that capacity varies according to fiscal vulnerability, institutional strength, and domestic political conditions. Policy transfer should therefore be understood as a negotiated process in which global structural power and African agency coexist, producing hybrid policy outcomes whose developmental consequences depend substantially on how successfully international ideas are reconciled with domestic realities.

Conclusion

This study examined how structural power shapes policy compliance and policy transfer in Nigeria, Ghana, and Kenya between 2015 and 2025. The findings show that compliance is driven by the interaction of external financial dependence, reputational pressures, domestic political incentives, and policy adaptation. Although international financial institutions influence national policy through conditionality, financing, technical assistance, and global policy norms, African governments are not passive recipients. They negotiate, modify, delay, and selectively implement external prescriptions in response to domestic political and developmental realities. The study contributes to knowledge by conceptualising this relationship as constrained agency. By combining Institutional Political Economy and Dependency Theory, it demonstrates that structural dependence and domestic agency operate simultaneously: global inequalities restrict available policy choices, while national institutions and political coalitions shape how external policies are ultimately implemented. Policy transfer in Africa is therefore better understood as a negotiated and adaptive process rather than a simple choice between compliance and resistance. A limitation of the study is its reliance on documentary and secondary evidence without interviews or survey data, which restricts direct insight into the informal negotiations and perceptions of policymakers and other stakeholders. Future studies should combine documentary analysis with interviews involving government officials, IFI representatives, civil society actors, and affected groups. Strengthening domestic institutions, regional bargaining capacity, and context-sensitive policy adaptation remains essential for expanding African policy autonomy while sustaining constructive engagement with the global political economy.

Recommendations

Based on the specific findings from Nigeria, Ghana, and Kenya, the following recommendations are advanced:

1. Nigeria, Ghana, and Kenya should strengthen debt-management systems and domestic revenue mobilisation while using the African Union and relevant Regional Economic Communities to

coordinate positions on debt restructuring, development financing, and IFI reforms. Such collective bargaining would not eliminate engagement with international financial institutions but could provide African governments with greater negotiating space over the timing, sequencing, and social consequences of adjustment programmes.

2. Governments in Nigeria, Ghana, and Kenya should subject major fiscal and market reforms to transparent social-impact assessments and introduce targeted protection for vulnerable households before implementing taxation, subsidy, or expenditure reforms. This would enable states to maintain external credibility without allowing international market expectations to outweigh employment, household welfare, and domestic political legitimacy.

3. Governments should institutionalise consultation with legislatures, organised labour, civil society, business associations, and affected social groups before major externally supported reforms are finalised. Broadening domestic participation would reduce the gap between technocratic policy design and citizens' lived experiences while strengthening national ownership and the legitimacy of difficult economic reforms.

4. Nigerian, Ghanaian, and Kenyan Governments should formally incorporate contextual adaptation into policy design by assessing institutional capacity, distributional consequences, implementation feasibility, and compatibility with national development priorities before adopting externally promoted reforms. This would transform adaptation from an improvised response to political resistance into a deliberate policy strategy, allowing African states to benefit from international policy learning while preserving the domestic flexibility that the study identifies as a central expression of constrained agency.

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