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presidential mandate, legal system and economic growth in sub-saharan africa

العهدات الرئاسية والنظام القانوني والنمو الاقتصادي في أفريقيا جنوب الصحراء

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Abstract

This paper examined the influence of the type of presidential mandate and the type of legal system on economic growth in sub-Saharan Africa. This paper employed a dynamic panel approach; the GMM model. Results revealed that the presence of a "limited presidential term" and "common law legal system" exert a significant and positive influence on economic growth. Results also indicated that "unlimited presidential terms" and "civil law legal system" have a negative impact on economic growth. On the other hand, it was observed that government efficiency, political stability, the rule of law, and the quality of regulation affect economic growth positively. Trade openness and population growth were found to have a negative impact on economic growth. These results have implications for the promotion of good governance for rapid economic growth in sub-Saharan African.

Key words: presidential mandate, legal system, economic growth, GMM, and sub-Saharan Africa.

ملخص:

تبحث هذه الورقة في تأثير نوع الولاية الرئاسية ونوع النظام القانوني على النمو الاقتصادي في أفريقيا جنوب الصحراء الكبرى. استخدمت هذه الورقة نهج اللوحة الديناميكية ؛ نموذج **GMM**. وكشفت النتائج أن وجود "فترة رئاسية محدودة" و "النظام القانوني للقانون العام" لهما تأثير كبير وإيجابي على النمو الاقتصادي، كما أشارت النتائج إلى أن "الفترات الرئاسية غير المحدودة" و "النظام القانوني للقانون المدني" لها تأثير سلبي على النمو الاقتصادي، من ناحية أخرى، لوحظ أن كفاءة الحكومة،

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والاستقرار السياسي، وسيادة القانون، ونوعية التنظيم تؤثر إيجابًا على النمو الاقتصادي، وجد أن الانفتاح التجاري والنمو السكاني لهما تأثير سلبي على النمو الاقتصادي. هذه النتائج لها آثار على تعزيز الحكم الرشيد من أجل النمو الاقتصادي السريع في أفريقيا جنوب الصحراء الكبرى.

الكلمات المفتاحية: الولاية الرئاسية، النظام القانوني، النمو الاقتصادي، **GMM**، وأفريقيا جنوب الصحراء.

Introduction

The importance of the role of institutions in the animation of the political and economic life of a nation is no longer disputed in the exploratory fields of economics. The introduction of the paradigm of the new institutional economy since the work of North (1990) has in this sense led to examine new sources of growth from a much less endogenous and direct point of view; this is a call to economists and decision makers in the sub-Saharan African to revisit their strategies of growth. This way, market equilibrium and growth are no longer dependent solely on the behavior of economic agents, through the accumulation of capital, labor productivity or the effects of the incorporation of innovation into the production process. To date, it is admitted that the influence of institutions is an undeniable factor in explaining the "wealth of nations". The findings of various studies have also noted the high impact of institutions on the performance of economies (Knack and Keefer 1995, Chong and Calderon 2000, Laporta et al., 2004, Przeworski 2004, Kong 2005, Glaeser at al., 2007; Dellepiane-Avellaneda, 2010; Fayissa and Nsiah, 2013). This significant influence of the institutions on the wealth of a nation is as a result of the modes of governance predefined by the politico-legal systems adopted by the states. The transversal interweaving of governance in the institution and, in the political-legal system, makes it necessary to specify that the institutions embody the vision of the politico-legal systems whereas the governance captures the mode of implementation of the institutional missions. In this regard, it is easy to see that the link between adopted institutions and good governance has led to positive results on economic performance (Barro, 1998, Sachs, 2004, Kaufmann et al., 2008, Acemoglu and Robinson, 2010; Fayissa and Nsiah 2013). However, it is important to underline that other studies have found that the quality of institutions as well as that of governance do not affect growth (Bisten et al, 2000; Quibria, 2006, Kurtz et al., 2007). At the same time, various studies have conditioned the contribution of governance by reporting its effectiveness in improving the economy to be incumbent on the level of human capital (sub-Saharan Africa, 2013) or in proportion to that of income (Khan, 2004; Meisel and Ould Aoudia, 2008).

From previous developments, it is clear that the role of institutions as well as that of governance refers to both the broad and the specific meaning of the problem of institutional governance of nations. Institutional governance in sub-Saharan Africa and according to North (1990) is a very broad concept that refers to the formal and informal rules that govern human and organizational interactions in a state (Edison, 2003). However, the definition of the management rules of the company and its organizations is more attached to both the legal and the political systems. Political systems particularly create and structure these institutions in the prism of the ideology defended. As a result, institutional governance is emerging as a driving factor of the influence of legal and political systems on the economy. Also, some authors, guided by this analytical perception have conducted studies to determine the influence of political regimes on growth. These works include those related to the impact of democracy on development. Notably, some studies have shown a positive and significant impact of democracy on growth (Rodrik and Wacziarg, 2005, Papaioannou and Siourounis, 2008, Persson and Tabellini 2009, Acemoglu et al, 2014), others say such relationship (Barro 1996 and 1997, Minier 1998, Rodrik 1999, Przeworski et al 2000, Tavares and Wacziarg 2001, Besley and Kudamatsu 2008, De Haan 2007) and finally other works conclude that democracy has no effect on economic growth (Doucouliagos and Ulubasoglu, 2008). This volatility in the results of theoretical and empirical studies on the relationship between democracy and economic growth reflects both the diversity of "democracies[2]" and the legal systems that govern economic activities. This way, it is possible to have as many results on the relationship between democracy and economic growth as there are

[2]In general, there are three types of democracy depending on the mode of expression. In direct democracy, power is exercised directly by citizens without the intermediary of representative bodies. In an indirect democracy, citizens elect representatives who are then responsible for establishing laws and / or executing them, which is why this political system is also referred to as representative democracy. Semi-direct democracies borrow from both forms of democracies. Citizens elect representatives to enact laws, but citizens may also have to make laws by referendum (or deny them).

combinations of democratic systems and legal systems. Indeed, democracy has many forms of expression depending on whether one is in a system of direct, representative or mixed democracy. However, despite its multiform nature, democracy remains very visible in the respect of certain basic principles such as transparency in the electoral process and the respect for the constitution. As regards the last criterion, it seems the most verifiable and therefore quantifiable, especially when it contains a clause on the limitation (or not) of the number of presidential terms. On the basis of this criterion, which may be a predictable or banal requirement in the West, but crucial in sub-Saharan Africa, it is possible to verify the impact of democracy on growth by hinging on it. Indeed, the respect or not of the limitation of the number of presidential mandates can prove to be a relevant criterion to proxy democracy in Africa. By way of illustration, it is easy to observe that in sub-Saharan Africa the political context is marked by constant modifications of the constitution by the elected government in order to remain in power. Essentially, this fact is all the more plausible because the electoral process is in itself not very credible, as it is most often controlled by state power (Tchoupie, 2009). Moreover, this criterion is related to economic performance, given that the refusal to respect the number of mandates has in general led to armed conflicts that have destabilized the entire economy, thereby limiting the potentials of the economy to growth. Worse of all, this resultant economic meltdown has often led to migration that has proven to be a loss of human capital and labor force for the economy in the long run (Hatton and Williamson, 2003, Koser, 2010). Similarly, the absence of alternation at the top of state management because of anti-democratic practices has generally caused weariness in the implementation of new reforms likely to boost the economy. The rationale for such an approach is that any regulatory innovation may induce unwanted changes in the preservation of or escape from the private interests of the existing political network. In such a perspective, only the legal system in place could attenuate or inhibit the influence of political excesses in the economic sphere.

As a result, some authors have attempted to evaluate the effectiveness of legal provisions. The most successful attempt is undoubtedly that of Posner (2003) to describe the common law system as a globally efficient system compared to the civil code system. This position has been experienced by sub-Saharan Africa as the World Bank in its successive Doing Business reports (2004 and 2005). Moreover, the "theory of finance" has consistently defended the superiority of the common law over all other legal systems over its ability to promote a growth economy (La Porta, 1998; Mahoney, 2001; Beck and Levine, 2003; Graff, 2008). Unfortunately, there is no tangible fact to validate the thesis of the superiority of the common law. On the contrary, the jurisprudential system is a particularly expensive system to put in place. The training of magistrates capable of performing their duties within a purely jurisprudential framework is long and difficult where the introduction of a codified right appears simple and inexpensive (Deffains, 2005, 2007).

Besides the debates on the efficiency of legal systems to generate more growth, there is a strong correlation between these systems and modes of state organizations. Thus, for most decentralized or federal states, majority adopt the common law whereas for those states that are not, it is generally the civil law system that reigns. Moreover, in sub-Saharan Africa, the length of presidential terms seems to be much more respected in the common law countries than in the civil law countries. It is therefore questionable whether the form of the state does not define legal efficiency in the political and economic sphere and that legal systems in turn, by impacting on the economy, also influence the political choices, causing criticism or revolutions in national public opinion.

There is thus a kind of interdependence between the legal and political systems. Also, the pooling of legal and political systems rather than their separation would be much more relevant in explaining gains or losses of growth points in the context of sub-Saharan Africa. This is the reason why this article adopts this new approach that will determine which combinations are best for African economies. Studies that consider the pooling of the legal and the political systems in explaining economic growth in African are still yet to emerge; this marks the main contribution of this paper.

After the introduction, the paper will present a brief review of the literature (Section 1), then the methodology (Section 2) and finally the results (Section 3) and conclusion of the work (Section 4).

1. Literature Review

According to Beck and Levine (2003), the legal system of the common law by its flexibility and simplicity facilitates the settlement of conflicts that may arise between different investors. It encourages economic operators to invest in finance in complete safety. This influence of the financial sector, which is based on trust in the common law, can irradiate sectors of the real economy, including infrastructure, telecommunications, industries, and so on. Thus, by this mechanism, the common law leads to growth according to the "theory of law and finance". The thesis of the "theory of law and finance", also called the legal-financial thesis, consecrates the supremacy of the common law with respect to all other legal systems in terms of its impact on growth. Thus, according to the defenders of this doctrine, the differences in wealth existing between the rich and poor countries could also be explained by the adoption or not of the common law in relation to the civil law (civil code). The differences between the two paradigms would be, first on the orientation of the law which would be either to defend private interests (common law) or to defend the interests of the state (civil law). The second difference concerns the method of construction of law.

With regard to the first difference, it should be noted that the legal system of the common law is characterized by complete independence of the judiciary. In England, for example, the judiciary is a real power (unlike the Romano-Germanic system), which is a counterweight to the legislative and executive powers. For this reason, several authors point out that common law judges would enjoy greater independence from the state apparatus than their civil law counterparts and would therefore be more inclined to protect the interests of investors, private sector (Mahoney 2001, Rubin 2004).

In the context of the civil law countries of sub-Saharan Africa, the process of appointing judges is rather the discretion of the executive. Also, being subject to a discretionary power of appointment held by his superior (the politician), the judge, in the interests of preserving the benefits related to his post, because it can be revoked at any time, might be inclined to bias the verdict in favor of the directions he would have received from politics (Toko, 2013). In such a configuration, the probability of having a legal system in sub-Saharan Africa enslaved by the executive is therefore plausible. These shortcomingsare likely to introduce a high risk of inefficiency in the judicial system since, the promotion of the judge or his re-appointment is not dependent on the elitist criteria defined or the assessment made during the execution of the mandate such as would have been the case for a judge elected or proposed by both Houses of Parliament as is customary in common law systems.

This fact puts back on the agenda not only the question of the separation of powers in some countries of sub-Saharan Africa, but also, that of the reliability of the institutions in a context of civil law where the president appoints the judges of the largest jurisdictional bodies in a discretionary manner without any scrutiny or control of Parliament. These realities are not only likely to create some certain mistrust in the decision-making of the economic operators but also to limit the effectiveness of the fight against corruption when high personalities of the regime are involved.

The second difference between civil law and common law is of a procedural nature: the common law, by virtue of the autonomy left to the judges, would allow a faster and more effective adaptation of the right to a constantly changing economic environment. From an evolutionary perspective, the adaptability of the common law would be synonymous with increased efficiency: ineffective rules would be challenged by common law courts, through repeated trials and evolving jurisprudence (Bailey and Rubin, 1994, Beck et al., 2003a).

On the other hand, legal evolution would be less dynamic in civil law countries, with ineffective rules continuing due to the inability of judges to reform the law. The codification of the law in civil law countries would also prevent the judge from adapting his decisions to the particular circumstances of the case and would undermine the effective defense of investors against the opportunistic behavior of dominant rulers and shareholders (Vilanova, 2007).

Indeed, systems based on the common law are much more flexible in granting different types of asset guarantees, an important feature of PPP (Public-Private Partnerships) agreements involving commercial financing such as Build-Operate-Transfer (BOT) projects. These systems also involve the concept of trusts that allows a trustee to hold collateral for lenders in a syndicated loan situation without having to make a formal transfer or re-registration of collateral on behalf of a new lender. Conversely, most civil law systems do not recognize such a concept. As a result, collateral must generally be re-registered in the name of the new lender (resulting in additional registration fees and notary fees). In addition, in common law jurisdictions, such as England and the United States, bankruptcy proceedings focus on seeking reorganization rather than liquidation to maintain the business in operation. On the contrary, civil law jurisdictions favor liquidation (World Bank, 2006).

This strong adaptability of the common law to economic activity led to the belief that public policies under the common law would be more efficient than those conducted under the influence of the civil code. The underlying idea is that the common law in sub-Saharan Africa provides better policy control through its independence from the executive compared to civil law. It thus becomes relevant to favor a double analysis grid, namely, the analysis of policies and legal systems. The interest in policy analysis here lies in the fact that it offers a valuable "toolbox" for examining the sequence of the various actions and interactions that have often led to the removal of certain constitutional provisions, the political, legal and especially economic environment; this is the case of presidential mandates.

The limitation or abrogation of mandates in the countries of sub-Saharan Africa has often been questioned about the legal legality of such an act, the occurrence of which has not often been based on the need to improve or to evolve a provision that was already obsolete economically or socially. For this reason, some authors have often thought that the civil code understood as a "right in favor of the state" is likely to be more malleable by politics in the calculation of its electoral interests than the common law (Barak 2006, World Bank 2006). The judge in the civil law does not create the right or the prerogative to enforce his decisions or to punish those who do not apply them as is the case in the common law. Moreover, his independence from the executive is not certain. As a result, it is difficult for him to defend the constitution and its democratic boundaries, for example the limitation of mandates when it is enshrined in the constitution. In all, the civil law judge is perceived more as a silent witness rather than an independent and impartial referee in the course of the political and institutional game. The illustration of this reality would be the fate of the many recourse often brought to civil law jurisdictions by civil society and some other political parties not belonging to the majority in power in contestation with the violation of the constitution via the lifting of the limitation of presidential terms. Most of these have been found to be unfounded (Tchoupie, 2009). However, the less dynamic character of the civil law on the commitment of new reforms compatible with the economic evolution could well be caught up by a limitation of the mandates. Limiting mandates would allow the new management team to introduce new reforms that are better suited to the economic context when implementing its program. Therefore, the limitation of mandates would act as a corrective measure of civil law shortcomings in the context of sub-Saharan African countries where institutions are weak. It would thus allow for a "privatization" of public action for the benefit of the entire economy and no longer just groups of political interests (Bayart, 1994; Hassenteufel, 1999; Engueleguele, 2002).

2. Methodology

This section will focus on presenting the statistics on the data, but also on justifying the choice of the model.

2.1 **Data source and descriptive statistics.**

Most of the data in this study comes from the World Bank. The variable "gross enrollment ratio", which for some years and countries had missing data, was supplemented by data from the UNESCO database. The dummy variables "presidential term" and "legal system" were specified according to a logic that takes into account the real facts.

Thus for the variable "mandate", the value 1 was assigned for a limited presidential term and value 0 for the opposite case.

Regarding the variable "legal system" the value 1 was assigned to the common law system while the value 0 was assigned to the civil law. However, for countries with both civil law and common law legal systems, colonial influence and the official language was used to determine the dominant system. This approach is inspired by the empirical knowledge of judicial practice in the countries of sub-Saharan Africa. In Cameroon and Rwanda, for example, the system is both civil law and common law. However, for Cameroon it is the civil law which is applied in reality since all the magistrates are trained exclusively following the civil law system. Thus, the value 0 will be assigned to Cameroon for the legal system variable. On the other hand, in the case of Rwanda it is rather the value 1 that will be attributed to this variable because, Rwanda is in transition from the civil law system to the common law system with a prevalence of the common law in practice. The study spans from 2002 to 2016 and covers 40 countries in sub-Saharan Africa including: Angola, Benin, Botswana, Burkina Faso, Burundi, Cape Verde, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Republic of Congo, Cote d'Ivoire, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Equatorial Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone , South Africa, Sudan, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

Table 1: Descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Dlgdpcapita	560	.062559	.1403324	-.5854092	.7515359
Corruption control	600	.1727556	.0322969	.1262705	.2965727
Ktal	600	22.51295	10.15356	1.525177	116.204
Political stability	600	.2647274	.048679	.1922474	.4386366
The quality of regulation	600	.1822859	.0197838	.152566	.2806813
The rule of law	600	.1600109	.0284298	.1233771	.2711784
Voice and Accountability	600	.1349256	.0238979	.103716	.218621
Demo rate	600	6.545985	.4983485	5.636685	7.357421
System	600	.375	.4845269	0	1
Mandat	600	.675	.4687657	0	1
COMM	600	56.44188	26.10995	11.94446	151.1962
The gross enrollment ratio	598	74.87864	16.03125	31.106	99.17737

- COMM Commodity Trade as a share of GDP is the sum of merchandise exports and imports divided by the value of GDP, all in current US dollars.
- GDP per capita "Y" is the gross domestic product divided by the population in the middle of the year. GDP is the sum of the gross value added of all resident producers in the economy plus taxes on products and minus subsidies not included in the value of products. It is calculated without deduction for depreciation of assets manufactured or for depletion and degradation of natural resources. Data is in current US dollars.
- The gross enrollment ratio "EDUC" is the ratio of total enrollment, regardless of age, to the population of the age group officially corresponding to the education level indicated. Primary education provides children with basic reading, writing and math skills as well as a basic understanding of subjects such as history, geography, natural sciences, social sciences, art and music .
- The variables listed below are indicators of good governance referred to as "X" (equation 1):
  - ✓ Corruption control captures perceptions of the extent to which public power is exercised for private ends, including small and large forms of corruption, as well as the "capture"

of the state by elites and interests private. The estimate gives the country's score on the aggregated indicator, in units of a standard normal distribution, that is, ranging from about -2.5 to 2.5.

- ✓ Political stability and the absence of violence / terrorism measure perceptions of the probability of political instability and / or politically motivated violence, including terrorism. The estimate gives the country's score on the aggregated indicator, in units of a standard normal distribution, that is, ranging from about -2.5 to 2.5.
- ✓ The quality of regulation reflects the perception of the government's ability to formulate and implement sound policies and regulations that enable and promote private sector development. The estimate gives the country's score on the aggregated indicator, in units of a standard normal distribution, that is, ranging from about -2.5 to 2.5.
- ✓ The rule of law captures the perception of agents' trust in the rules of society, especially the quality of contract enforcement, property rights, the police and the courts, as well as the likelihood of criminality and violence. The estimate gives the country's score on the aggregated indicator, in units of a standard normal distribution, that is, ranging from about -2.5 to 2.5.
- ✓ Voice and Accountability captures perceptions of the extent to which citizens of a country can participate in the selection of their government, as well as freedom of expression, freedom of sub-Saharan Africa and freedom of the media. The estimate gives the country's score on the aggregated indicator, in units of a standard normal distribution, that is, ranging from about -2.5 to 2.5.

- The total population includes all residents for more than two years, whether they are nationals or immigrants. It is its rate of growth that is most often used by the economic literature. In this study, the population growth rate will be designated by the variable "Demo rate" and will correspond to the variable used in the Kelley and Schmidt (2005) model, where the numbers for each period are considered in order to estimate the population growth rate: Effect of the increase in the number of employees on GDP per capita.

- "Ktal" is capital and it refers to all acquisitions of productive assets and basic infrastructure (roads, dams, bridges, schools, hospitals). It is measured by gross fixed capital formation. According to the theories of growth, the accumulation of physical capital is an important source of growth. Improving the quality of infrastructure lowers costs (transport, energy, etc.) and consequently stimulates demand and supply, which is likely to favor competitiveness (Gannon and Liu, 1997). It can also help to open up poor regions and enable them to access more important opportunities (Estache, 2003).

2.2 The model

To analyze the influence of the type of mandate and the legal system on economic growth in sub-Saharan Africa, this study adopts a dynamic panel approach. This approach is known as the Generalized Moment Method (GMM) for dynamic panel data models. It was developed by Holtz-Eakin et al. (1988) and Arellano and Bond (1991). This approach by Arellano and Bond (1991) was contextualized in this study through the equation in first differences below.

$$\log Y_{i,t} = \theta_i + \emptyset' X_{i,t} + \gamma COMM_{i,t} + \alpha log MAND_{i,t} + \beta log SYST_{i,t} + \varphi log EDUC_{i,t} + \Psi_{i,t}$$

(1)

In equation (1), θ_i is the fixed or random specific effect of country i and allows to consider the other determinants not explicitly integrated in the list of explanatory variables. $\emptyset$ represents a set of parameters to estimate and X the indicators of governance. γ, α, β, φ represent the elasticities of the GDP growth rate respectively with respect to commodity trade, the type of mandate, the type of legal system and the gross enrollment ratio and $\Psi_{i,t}$ is the error term. Models with fixed or random effects lead to non-convergent results (Caselli and Lefort, 1996). By differentiating equation (1) above, we obtain the following equation (2):

$$\Delta Y^*_{i,t} - \Delta Y^*_{i,t-1} = \alpha\left(\Delta Y^*_{i,t-1} - \Delta Y^*_{i,t-2}\right) + b\left(X^*_{i,t} - X^*_{i,t-1}\right) + (\psi^*_{i,t} - \psi^*_{i,t-1})$$

(2)

Where the matrix $X^*_{i,t}$ contains all the explanatory variables other than the delayed endogenous variable $Y^*_{i,t-1}$ including the dummies, b is the vector of the parameters other than a. The endogenous variable and some explanatory variables are in logarithmic form. This differentiation eliminates the country-specific effect. On the other hand, it reveals a new problem: the term $\psi^{*}_{i,t} - \psi^{*}_{i,t-1}$is, by construction, correlated with the delayed endogenous variable $Y^{*}_{i,t-1} - \Delta Y^{*}_{i,t-2}$.As a result, Arellano and Bond (1991) put forward two hypotheses:

1. The error term is not auto correlated
2. Explanatory variables X are weakly exogenous, that is, they are not correlated with the future realizations of the error term. For these two reasons, the above authors proposed the following conditions:

(a) $$E\left(\Delta Y^{*}_{i,t-s i,t}\left(\psi^{*}_{i,t} - \psi^{*}_{i,t-1}\right) = 0\right.$$
(3)

(b) $$E\left(\Delta X^{*}_{i,t-s i,t}\left(\psi^{*}_{i,t} - \psi^{*}_{i,t-1}\right) = 0\right.$$
(4)

For s> 1 and t = 3, ..., T. The conditions (a) and (b) postulate an absence of correlation between the delayed explanatory variables as well as the delayed endogenous variables with the variations of the error term. As a result, conditions (a) and (b) allow the use of lagged variables as instruments for estimating equation (2).

The GMM method on the difference equation offers more accurate estimates than the usual techniques. However, the use of lagged variables as instruments is not always adequate. This way, Alonso-Borrego and Arellano (1999) and Blundell and Bond (1998) have shown that, on small samples, the coefficients can be seriously biased if the explanatory variables exhibit a strong autocorrelation (Belogey et al. 2004). For this reason, Arellano and Bover (1995) and Blundell and Bond (1998) completed the GMM technique on the difference equation by a GMM on the reference equation leveled with the delayed explanatory variables taken into difference as instruments.

$$(a) E\left(\left(\Delta Y^{*}_{i,t-s} - \Delta Y^{*}_{i,t-s_{-1}}\right)\psi^{*}_{i,t-s_{-1}}\right) = 0 \qquad (5)$$

$$(b) E\left(\left(\Delta X^{*}_{i,t-s} - \Delta X^{*}_{i,t-s_{-1}}\right)\psi^{*}_{i,t-s_{-1}}\right) = 0 \qquad (6)$$

For S = 1. These new conditions (a and b) are valid under the additional hypothesis of stationarity of the explanatory variables, that is, there is no correlation between the country-specific effect and the explanatory variables taken as differences. The combination of these two GMM techniques drastically increases the accuracy of the estimators when the explanatory variables are sufficiently self-correlated (Blundell and Bond, 1998).

3. Results

The results of the estimates are shown in the table below. They are globally significant and pose no econometric problem since the matrix of instruments is not correlated with disturbances, as indicated by the Sargan tests. In addition, equation (2) was first differentiated, the residuals obtained are supposed to be autocorrelated to order 1, but not to order 2 (Arellano and Bond, 1991). Which is verified by the AR (1) and AR (2) tests.

Table 2: Estimation Results

VARIABLES	Lgdpcapita	lgdpcapita	lgdpcapita	lgdpcapita	lgdpcapita	lgdpcapita
D.lgdpcapita	1.044***	1.042***	1.039***	1.047***	1.041***	1.043***
	(0.00537)	(0.00432)	(0.00347)	(0.00540)	(0.00476)	(0.00496)
Mandat (MAND)	0.0321***	0.0313***	0.0318***	0.0304***	0.0321***	0.0324***
	(0.00637)	(0.00640)	(0.00625)	(0.00674)	(0.00636)	(0.00568)
System (SYST)	0.0296***	0.0264***	0.0257***	0.0279***	0.0276***	0.0341***
	(0.00302)	(0.00393)	(0.00403)	(0.00372)	(0.00400)	(0.00275)
gross enrollment rate (EDUC)	1.010***	1.010***	1.008***	1.012***	1.009***	1.011***
	(0.00293)	(0.00251)	(0.00215)	(0.00278)	(0.00277)	(0.00262)
Trade (COMM)	-0.239***	-0.240***	-0.242***	-0.238***	-0.240***	-0.238***
	(0.00570)	(0.00620)	(0.00628)	(0.00590)	(0.00643)	(0.00582)
Demo rate	-0.00466***	-0.00378**	-0.00351**	-0.00411**	-0.00435***	-0.00573***
	(0.00119)	(0.00146)	(0.00148)	(0.00146)	(0.00132)	(0.00121)
control corruption	0.281*					
	(0.134)					
political stability		0.103**				
		(0.0460)				
voice and responsibility			-0.0462			
			(0.108)			
rule of law				0.460***		
				(0.131)		
regulatory quality					0.269*	

					(0.149)	
Ktal						0.700***
						(0.135)
Observations	567	567	567	567	567	567
nombre de pays	40	40	40	40	40	40
AR(1)	3,63(0,0000)	3,6(0,0000)	3,06(0,0000)	3,59(0,0000)	3,63(0,0000)	3,06(0,0000)
AR(2)	1,05(0,222)	1,01(0,21)	1,21(0,19)	1,21(0,19)	1,22(0,22)	1,22(0,22)
Test de Sargan	514(0,46)	513(0,427)	512(0,352)	512(0,436)	517(0,375)	512(0,438)

Our estimates from World Bank / UNCTAD data (***; **; *: significant at 1%, 5% and 10%).

The examination of the results shows that the common law legal system variable ("SYST") and the limited presidential mandate variable ("MAND") are significant and each has a positive effect on growth. On the other hand, the unlimited presidential term and the legal system of civil law have a negative impact on growth. These results are similar to those of Mahoney (2001) and Cross (2007) with respect to the virtuous effect of the common law system on growth. As for the positive impact of limited presidential mandate on growth, the findings of the Persson and Tabellini (2009), Acemoglu et al (2014) and Tangian (2014) reinforce those obtained in this study. This is evident as a limited presidential mandate will allow the putting in place of a new team of leaders who will enact and implement new reforms for better economic performance.

Our results also show that trade openness (COMM) has a negative impact on growth, across all countries in the sample. This result is in conformity with UNCTAD and the dependency theorists. According to UNCTAD, trade openness has exposed local industries in LDCs to poorly prepared competition. As a result, large parts of the manufacturing sector have disappeared over the last twenty years in Africa. Instead of reducing their structural vulnerabilities, trade liberalization has accentuated them. In short, liberalization was premature in LDCs, given their level of development (UNCTAD, 2010). In addition, dependency theorists support protectionist policies. According to them, the economies of the periphery export the raw materials and import the manufactured products. In this perspective, commercial openness can only lead to deindustrialization in the South (Cardoso and Faletto, 1979).

The study also indicates that the control of corruption, that is its reduction, positively impacts economic growth. Indeed, macroeconomic studies, using national data to explore cross-country variations in economic indicators and governance indicators, consistently conclude that corruption reduces growth and economic development. Comparative data also indicate that corruption is systematically correlated with particularly low levels of the main economic indicators of growth rate, GDP per capita and human development (Rothstein & Holmberg, 2011).

Other governance indicators such as political stability, the rule of law, the quality of regulation positively influence growth. This result is consistent with that found by Atangana (2013). The demographic growth "Demo Rate" has a negative influence on growth. This result is in tandem with the work of Ekodo (2018) for the case of countries in the CEMAC zone. Indeed, a rapid and higher rate of population growth relative to the GDP growth rate would paralyse economic takeoff."Ktal" capital has a positive impact on economic growth.

4. Conclusion

The main objective of this work was to show that the type of presidential mandate and the type of legal system influence the economic growth of the countries of sub-Saharan Africa. Specifically, this analysis shows that a common law legal system and a limited presidential term have a positive impact on economic growth. Overall, this study has shown that alternation in power and a more dynamic and independent legal system such as the common law promote economic growth in sub-Saharan Africa. This article also found that the majority of good governance variables positively impact the growth of sub-Saharan African countries. The negative impact of population growth on GDP underscores the need to master put in place accompanying measures for rapid and strong demographic growth.

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