Editorial

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According to various analyses over the past 15 years, most countries in Africa experienced sustained economic growth, with growth rates often exceeding 5% per year. This has inspired much optimism about the region's prospects to finally leave poverty and under-development behind. However, the general economic context is now turning less favourable, with growth slowing down.

The global economic environment is affecting African countries differently. Revenues are dropping in resource-rich countries, while oil importers are benefiting from lower inflation as well as less pressure on current accounts. Amid tighter global financial conditions, some countries face large fiscal deficits.

The resilience in Africa's growth is partly owed to domestic factors, including private consumption, public infrastructure development and private investment. In the medium term, continued improvement in the business environment and fast expanding regional markets may become new sources of growth for the continent.

This special issue of the *International Journal of Sustainable Economy* addresses some economic and sustainability issues in Africa, especially in Sub-Saharan Africa (SSA). Five papers are included.

The paper 'Foreign direct investment and economic growth in Africa: a comparative analysis' by Olawumi D. Awolusi, Olufemi P. Adeyeye, and Theuns G. Pelser investigates the effect of foreign direct investment (FDI) on economic growth in selected African economies (South Africa, Nigeria, Egypt, Kenya, and Central African Republic). In general, the impact of FDI on economic growth in Africa countries is limited or negligible. The findings also revealed that South Africa's growth is more affected by FDI than in Nigeria, Egypt, Kenya, and Central African Republic. The paper therefore finds that government policies on FDI play significant roles in facilitating improved economic growth in African countries.

The study 'Monetary policy and economic growth in Uganda: an empirical investigation' by Enock Nyorekwa Twinoburyo and Nicholas M. Odhiambo examines the impact of monetary policy on economic growth in Uganda. The study uses money supply and short-term interest rate as monetary policy variables alongside four control variables, namely real exchange rate, gross fixed capital formation, trade openness and consumer price index. The results show that money supply has a positive significant impact on economic growth, both in the short run and in the long run. However, interest rates were found to have a positive impact on economic growth only in the short run. In the long run, they were found to have no significant impact on economic growth. These results suggest a pronounced role of money supply relative to short-term interest rates, which could be attributed to the financial structure and the independence of the central bank. The findings suggest that money supply is the most appropriate tool for monetary policy implementation in Uganda. Overall, monetary policy matters for economic growth but there is a need for further reforms aimed at the development of the financial sector as well as improvement in monetary and fiscal policy coordination.

The main objective of the study 'The effects of exchange rate changes on Sub-Saharan Africa trade' by Christelle Meniago and Joel Hinaunye Eita is to provide an empirical examination of the impact of exchange rate changes on imports, exports and trade balance in SSA. The results indicate that there is a positive relationship between exchange rate changes and imports, albeit the degree of responsiveness was extremely low. These results however can be attributed to the fact that many African countries largely depend on imports, and hence, tend to be invariant to any exchange rate changes. Against this background, this paper recommends that SSA authorities draw up strategies and programs that will make the economies less reliant on imports which leaves them at the mercy on volatile commodity prices. Hence, a depreciation of their exchange rates may have little or no effects in improving their respective current account, given the ever-increasing level of imports. The significant negative relationship found between exchange rate changes and exports suggests that the policy of exchange rate depreciation may not have the desired effects of boosting exports. The study found no significant relationship between exchange rate changes and trade balance.

Recently, it has being speculated that the linear relationship between government expenditure and economic growth may be misspecified. In the study 'Nonlinearities in Wagner's law: further evidence from South Africa', A. Phiri contributes to the literature by investigating a nonlinear expenditure-growth relationship for South Africa by applying threshold cointegration analysis to six variations of Wagner's law. His empirical analysis reveal a nonlinear relationship between the time series for four out of the six versions of Wagner's law thus providing strong evidence of existing nonlinearities for the case of South Africa. He further finds uni-directional causality running from government spending to output productivity with positive increases in government expenditure leading to improved GDP levels hence lending support to the Keynesian hypothesis. And yet, he also find that negative deviations from the steady-state are eradicated slower than positive ones, hence, implying that increases in government spending would be offset by negative shocks to the macroeconomy over the long-run. This implies that excessive spending by South African Government is not a panacea in overcoming the adverse effects of the recent global recession on the macroeconomy.

The purpose of the study 'Determinants of corporate green investment practices in the Johannesburg Stock Exchange listed firms' by Ganda Fortune, Collins C. Ngwakwe and Cosmas M. Ambe was to determine the factors which spur corporate green investment practices amongst 100 South African CDP companies listed on the Johannesburg Stock Exchange (JSE). The findings indicate that legislation influences the corporate green investment practices of JSE listed firms as do corporate image, profitability and environmental consciousness. Legislation, corporate image, profitability and environmental consciousness also showed a significant relationship with the green investment practices of JSE listed firms. An increasing number of JSE listed firms supporting examined variables was also noted from 2010 to 2014.

The common message of all five papers is the following. For economic success in Africa to continue, a climate of political stability is needed. To achieve the development objectives set by African institutions and the international community, African countries must deepen structural and regulatory reforms, and foster macroeconomic stability in order to address the obstacles to the transformation of their economies.