While the common belief is that poverty is a material condition, it is also a mental one. To tackle it effectively demands tools that address both these conditions.

A fundamental paradigm shift is needed to fully eradicate poverty. For example, a pact between different social institutions needs to be brokered in order to co-ordinate all the efforts and available resources to the benefit of the continent's poor.

To achieve this, states will have to become developmental in orientation and democratic in practice. They will need to address the twin imperatives of both nation-building and economic development. In so doing many of the continent's current challenges that limit its developmental potential will be dealt with.

The state will also have to consider its citizens, by promoting a culture of participatory, inclusive and representative democracy. Communities affected by such agreements will have to be consulted and actively participate in the decision-making process.

The fact that some East Asian countries were able to develop and grow their economies under undemocratic conditions, does not mean Africa should be expected to do the same.

In the case of our continent, democratic conditions are the foundation upon which economic growth and poverty eradication should take place. Moreover, the private sector will need to think beyond profit and consider its role in the social system in which it finds itself.

However, there can be no effective state or thriving economy without an empowered society. If there is a lesson to be learnt from the recent global economic crisis, it is that the state and the market cannot be trusted to deliver on development without the involvement of communities; this is where the heart of progress lies and where investment should take place.

Resources need to be funnelled to communities to facilitate an economic revolution from the bottom upwards. In most countries, structures such as community-based organisations (CBOs) are the backbone of society in times of need. It is perhaps only now that their importance to the health of nations is being recognised.

In Africa, a number of CBOs support local communities by addressing and providing aid to development challenges in specific areas. These institutions are increasingly addressing international concerns. Because they are formed, governed and run by local communities, CBOs often serve as focal and entry points for development initiatives at grassroots level. In these instances the private sector can invest in communities by providing CBOs with funding, resources and expertise.

In other instances, corporations have established their own community foundations to tackle local development challenges. Development facilitators then work through these structures in order to grow their local knowledge, culture and experience. Furthermore, states can easily be linked to their citizens through CBOs in order to identify and address community-specific needs.

If communities are not empowered to develop themselves and hold the continent's leaders to account, there is no hope that the state can promote development and democracy.

Indeed, without empowered communities, there can be no nation or economic growth, and poverty will forever persist. The time to empower communities for development is now.