Africa, Imperialism & New Forms of Accumulation

Sarah Bracking & Graham Harrison

The profound hypocrisy and inherent barbarism of bourgeois civilisation lies unveiled before our eyes, moving from its home, where it assumes respectable form, to the colonies, where it goes naked (Karl Marx in Engels & Marx 1979).

Marx’s quotation is telling and relevant. Capitalism has always acted as a global system, working across or between nation-states (Wood, 1999; Burnham, 2002). The ever-present imperative to produce profit has pushed capital from its historic heartlands in northern Europe to all societies. But, as Marx implies, the process of expansion has not been a homogenising one: the bourgeoisie has double standards, or perhaps multiple standards as it negotiates its presence in a wide variety of locations. The standards that most would define as minimally acceptable (social democracy) have been a product of specific historical and material conditions: a result of the emergence of institutionally robust and interventionist states (Polanyi, 1957) and the political demands of working classes (Rueschmeyer et al. 1992). But, these historical conditions are part of the same conditions that produced very different states and economies in sub-Saharan Africa: the colonial states of the ‘scramble’ of the late 1880s are themselves part of the same capitalism which produced the ‘civilisation’ that Marx ironically attributes to late Victorian England. The hypocrisy is that bourgeois civilisation in Europe, plus plunder, primitive accumulation and famine (Davis, 2001) in the colonial world were part of the same over-arching liberal ideals.

Colonial states established the political conduits through which African societies engaged with the global political economy. In many ways, this construction can be seen as a project of simplification: reducing complex social forms to basic national templates: the ‘zoning’ of agricultural production, the reduction of varied cultures of ownership and norms of trade to ‘chieftaincy’ and the regulations of marketing boards, and the construction of local and long distance trade networks to the road and rail links from region to port, capital city, and customs office. Intrinsically authoritarian, this process could only be effected with violence and was resisted both actively and ‘passively’ to the extent that the project produced a mosaic of complex outcomes. The colonial project might not have completed its immanent desire to produce self-contained national economies malleable to the designs of international capital, but it did mark a profound historical transition which defined the historical possibilities of independence (Berman, 1998:312-313). In spite of the vibrant African political currents of the late 1950s and 1960s, statesmen inherited political and economic kingdoms that had been structured by colonialism, whether these kingdoms were inherited through negotiations or armed struggle.

The post-colonial trajectories of African states leave one impressed by both the variety of change and the durability of the sinews of global capitalism in Africa. These sinews are tough but also malleable, not necessarily rigid. In the ‘developmental’ period from
independence to the first oil price hike in 1973, national economic planning, large scale public investment, and foreign capital (in the form of multilateral loans or transnational direct investment) created economic growth (at least on paper). Negative real interest rates prevailed through most of the 1970s, until the second oil shock of 1979, encouraging both excessive borrowing and lending. However, 1979 also marked a radical change in global economic policy, inaugurated with the ‘Volcker Shock’ (so called after the then chairman of the US Federal Reserve) when America suddenly and dramatically raised interest rates. The sudden change of interest rate policy increased the cost of African debt dramatically, since a majority of debt stock was held in dollars. The majority of the newly independent states had been effectively delivered into twenty years of indentured labour. From that point access to finance became a key policing mechanism of African populations.

**Imperialism**

Marx never used the term imperialism, but it remains a key part of any analysis of contemporary global capitalism. The sinews of political power and accumulation that are derivative of capitalism’s birth as a global creature might have twisted and turned, but they continue to connect African societies to a complex, combined, and uneven global political economy which has hardly served the people of Africa favourably. Imperialism has almost always been a concept used to evoke critique of the global political economy: to identify the inequities of what is now called ‘globalisation’; to condemn the bullying tactics of Western states; to investigate the cultural arrogance and discursive authoritarianism of liberalism’s marriage to ‘freedom, equality, property and Bentham’ (Marx, 1867/1999:113), that is, capitalism. Imperialism has also been associated with political struggle as a device to identify oppressive forces working at an international level as a means to political action.

Imperialism has come to encompass different meanings to the extent that one has to clarify what one means by imperialism before using the term. Imperialism has a much longer history than its contemporary pretender, ‘globalisation’ (Fieldhouse, 1967; Brewer, 1990), and one can discern three principal ‘angles’ that writers take with the concept. First, imperialism relates to a process of capital export from developed capitalist economies to the colonies; second, it addresses itself to the economic dominance of the ‘core’ of the world-system in the post-colonial regions of the world: the pernicious effects of transnational corporations, unequal exchange in trade and technological dominance (Sutcliffe, 2002). In this second sense inequities between states, and within the inter-state system, create opportunities for exploitation of the periphery by the core. Finally, in a modern context, imperialism refers to the predominance of the United States and its militarised bullying of so many post-colonial states since 1945. One might dub these three approaches as ‘expansive’, ‘dependency’ and ‘yankee’ imperialism respectively. Each has a kernel of truth, but each approach in itself tends to reduce the complexities and contradictions of global capitalism to a single argument. This issue of *ROAPE* brings these themes together – and thus moves beyond each of these three categories – in a global political economy of capitalism to demonstrate the relevance of imperialism to Africa’s contemporary global situation. It does this by looking at actual regimes of accumulation.

The three perspectives, and the political claims that they have generated, have produced much debate: is imperialism the last stage or pioneer of capitalism? Is imperialism a product of monopoly capitalism or the need for ‘peripheries’ as Luxemburg argued? And most recently, has the world reached a stage of post-imperialism, where capitalism has become sufficiently de-centred that it no longer
has a ‘home address’ (Sklar, 1976; Hardt and Negri, 2000)? The notion of post-imperialism is pre-emptive. Halliday demonstrates this by making a condensed ‘constitution’ of imperialism, which hardly seems archaic, especially with respect to Africa:

- The inexorable expansion of capitalism as a socio-economic system on a world scale;
- The necessarily competitive, expansionist, and warlike character of developed capitalist states;
- The unequal nature of capitalist expansion, and the reproduction on a world scale of socio-economic inequalities;
- The creation on a world scale of structures of inequality of power and wealth not only in the economic, but also social, political, legal, and cultural spheres;
- The generation through the very process of capitalist expansion, of movements of resistance, of anti-imperialism (2002:80).

These five points serve to delineate the core of imperialism’s meaning. The three earlier positions are here conflated and rearranged into corollary processes within the expansion of world capitalism. The most incisive way of using the notion of imperialism is to maintain a strong sense of historical location and to understand the contours of economic and political intervention as part of that historical process. This is the couplet that makes the notion of imperialism a useful starting point to understand Africa’s global relations: structures of inequality reproduced through a capitalist system of both political and economic power. Each of the contributions in this issue contribute to an elaboration of imperialism in this vein. In doing so, they develop important arguments concerning the nature of accumulation, the persistence of indentured social beings and the inequities of capitalist expansion. They also illustrate, however, that the transplanted structures of colonialism have born their own seedlings in rapidly growing, and often rapacious, economic and political elites. The benevolent languages of liberation, development, modernisation and progress are everywhere tainted by accumulation fashioned in greed and graft.

Clearly, capitalism continues its expansion and deepening across and within space, but its social forms are diverse and historically-constituted, not derivative of a form of ‘metropolitan’ capitalism, no matter how strongly they might be influenced by the latter. Here Gruffydd-Jones ably reveals that marxism provides more analytical space than is generally recognised to understand processes of capitalist expansion that are not reducible to the maxim that India (or anywhere else) sees its future in the heartlands of capital. Imperialist dynamics play themselves out in interaction with more localised forms of accumulation and political power: the global constitution of capitalism (as Gruffydd-Jones calls it); not African exceptionalism/essentialism but the complexity of social forms of accumulation in specific contexts.

Meagher’s detailed investigation into transnational markets and informality reveals a diversity of market processes that link societies to global flows of commodities. But, the complexity of capital’s expansion needs careful treatment. The increasing attention paid to networks (generated by theories of governance and their Foucauldian variants) opens a path to insightful research on global capitalism, but it also runs the peril of downplaying what is obvious to all observers: the persistent, and historically structured concentration of power emanating from the West.
This reproduces substantial historical continuity in some aspects of the patterning of global power between North and South. For those that doubt this, consider Marx’s words in the opening quotation and the following remarks by Lord Young, a Minister in the Thatcher government and former Chair of Cable and Wireless:

... when you’re talking about kickbacks, you’re talking about something that’s illegal in this country [the UK] ... But there are parts of the world I’ve been to where we all know it happens and, if you want to be in business, you have to do it (in Hall 1999:540).

International capital ‘goes naked’ in the post-colonial countries, and meets populations armed with only weak mechanisms with which to make corporations accountable. Often states fail to serve the protective needs of their populations, sometimes because of deliberate arbitrary rules shaped in elite self-aggrandisement, and sometimes because they are empty vessels long plundered and left to crumble. But, as Bracking demonstrates, this ‘frontier’ is policed by those very ‘modern’ states that provide the ideal-type for so many World Bank institutional capacity building programmes. These states have embarked, in quasi private/public form, on an outreach mission to underwrite the regime of accumulation and ensure the good health of the profit margins of their own companies abroad. Western states (and other institutions) make it safer and more lucrative for international capital, notably through the ‘regime of intermediacy’ which regulates the flow of international finance to debt-burdened states.

So, the patterning of state inequalities mirrors longer histories of global economic inequality. Taylor argues in this issue that networks maintain themselves through the key connections they establish with large transnational firms, the latter sustaining political connections with their ‘own’ powerful states. A global system of states, radically unequal in their power and inter-relations is intrinsic to global capitalism, not an extrinsic system with which capital has to reconcile itself. The recognition of a political economy of unequal states must necessarily be accompanied by an equally important recognition that political power and institutions also work at different levels, whether sub- or supra-national. These different levels of power interact either to reinforce each other or to compete for citizens/subjects. Taylor’s article clearly demonstrates how the geography of security and claims to sovereignty have become extremely complex in the Democratic Republic of Congo – as a result of state collapse and the emergence of what Duffield calls ‘shadow economies’ (2001). The key lesson here is that, contra the imagery of networks, ‘capitalism does not just appear’ (Skilair, 1997:514), but requires political force and institutions to regulate its actions: what orthodox social scientists dub security and the rule of law; what Ellen Woods would call the separation of the moments of coercion and expropriation (1981).

New Forms of Accumulation

The general point that is embedded in all the contributions mentioned above is that using imperialism as a concept does not mean reducing Africa to a passive recipient of Western intervention. New forms of accumulation emerge within Africa, products of social relations in specific places and their articulation to broader networks of trade and production. Kwesi Aning investigates the regionalisation of illicit trade in West Africa, its interconnections with conflict, and its long extended phalanxes of actors ending in the boardrooms of international corporations. Henning Melber looks at the strategies of the Namibian state elite to promote ‘indigenisation’ of the fisheries industry, by issuing rights in the form of fishing licenses to be exchanged with the previous colonial owners of the fleet for shares in the business. He illustrates that the
The vast majority of small fisherpeople have not benefited: ownership remains concentrated, and the elite has been the happy recipient of resource rents. Meanwhile, Dimieari Von Kemedi reports from the Niger Delta that the government imposed Niger Delta Development Commission is but a fig-leaf to hide continued resource disempowerment for the resident peoples. This development ‘fix’, combined with the persistent mis-information from the oil companies, government, and unfortunately people who would once have questioned these ‘facts’, serves to criminalise the people of the delta who continue to peacefully struggle for their rights.

These specific examples reveal the complexities of the interplay between state power and private economic power, an interplay that is changing its patterns in response to both external forces and popular movements, these latter often using the language of empowerment, expressed in a right to use and have access to resources. Meanwhile, these external forces are themselves hardly set in stone. In this respect, Bracking’s article is relevant as it demonstrates a powerful set of relations between imperialist states, multilateral and pseudo-private agencies; in fact, ‘frontiers’ of imperialist states that act to intermediate financial flows to Africa and promote investment by ‘home’ companies. These could themselves become a site of contestation where solidarity from the north is expressed by a demand for the accountability of ‘frontier’ institutions.

New forms of accumulation are infused with new forms of inequality and differentiation. Relatedly, Cooper speaks of the ‘lumpy’ nature of capitalist penetration in Africa, ‘places where power coalesces surrounded by those where it does not, where social relations become dense amidst others that are diffuse’ (2001:190). And, as Aning, Melber, and von Kemedi demonstrate, these dense nodes of accumulation are far from having socially-beneficial effects. There is a broader political point that emerges here: imperialism reveals that capitalist development in Africa fails to be developmental; all of the processes investigated by contributors paint an image of external dominance and socially-damaging and extraverted forms of accumulation.

This is why imperialism is still important, and why it provides a far more useful starting point than globalisation to understanding Africa’s relations with the global political economy. Embedded in critique, imperialism refuses to accept that bourgeois civilisation has lived up to its own historic claims of progress and well-being. As such, those who wish to imagine a politics of progress, development and popular well-being would do well to (re)engage with the concept of imperialism, both to identify and challenge the hypocrisy of metropolitan idealism and self-serving discourses of benevolence.

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The Life & Times of Babu: The Age of Liberation & Revolution

Issa G. Shivji

The following was the Keynote Address at the International Conference to celebrate the Life of Comrade Abdulrahman Mohamed Babu, 21-22 September 2001, University of Dar es Salaam. Babu died on 5 August 1996 and later that year, ROAPE published a special issue devoted to our dear friend and comrade (ROAPE 69).

Babu lived in the age of national liberation and revolution. The period after the Second World War to the defeat of US imperialism in Vietnam in 1975 was characterised by what the then Chinese Communist Party described as, ‘Countries want Independence, Nations want Liberation and People want Revolution.’ Babu belonged to the first generation of African marxists who participated in the struggle for independence, national liberation, and people’s revolution.

This was also the age of great intellectual and ideological ferment. Every revolution and liberation struggle had its theoreticians, its thinkers, its arsenal of articulated ideas, not just arsenal of weapons. Young activists and cadres began by mastering the ‘Weapon of Theory’, to use Amilcar Cabral’s phrase, before turning to theories of weapons. The clarion call of our journal, Cheche, produced by the University Students African Revolutionary Front (USARF) was ‘Struggle to Learn, Learn to Struggle’. Political leaders of liberation movements and revolutions were giant intellectuals and thinkers in their own right. Nehru’s prison letters to his daughter constituted a tome called Glimpses of World History. Nkrumah wrote the influential Neo-colonialism, the Last Stage of Imperialism. Frantz Fanon combined in him a professional psychiatrist, a revolutionary activist and the author of the great The Wretched of the Earth, whose mastery was a necessary entry qualification to our Sunday ideological classes at the Hill. Babu’s own African Socialism or Socialist Africa? was written in Ukonga prison in Dar es Salaam and the manuscript smuggled out for ‘ruthless criticism’ (to use Marx’s phrase from a well-know quote), by young comrades, and the young comrades ruthlessly criticised it without regard to the fact that this was a manuscript of an older, much more experienced, comrade. As a matter of fact, the youthful critics so overdid their rather dogmatic criticism, that Babu was moved to retort:

The writer of the manuscript is once again very grateful for the trouble you have taken to deal with this matter. He has only one adverse comment to make. The tone of the ‘comments’ smacks of intellectual arrogance, which is un-marxist. It leaves a bad taste in the mouth. He wanted to quote the old Russian saying (immortalised by Lenin) which says: ‘God save us from our friends; from our enemies we can defend ourselves’, but he has been scared of the likely response, that is, religious-counter-revolutionary, revisionism, etc. etc. and so he has quickly withdrawn it.
I would like to underline this episode the phrase ‘young’ because Babu, just as his ideas, never got old. He dedicated his book to the ‘Youth of Africa’. He could have as well said: ‘Dedicated to us, the Youth of Africa!’ I would also like to underscore the total absence of intellectual hierarchy in the relationship and Babu’s joyful chiding of his young sceptics. The first issue of *Cheche* carried articles by professors and second year students alike, yet, you could not tell either from the content or from apppellations as to ‘who was who’. Every one was a comrade and as a comrade every one was fair game for ‘ruthless criticism’. Rodney subjected his manuscript *How Europe Underdeveloped Africa*, which was to become a celebrated volume the world over, to two young comrades who at the time were final year students. The acknowledgement in Rodney’s *Preface* well captures the flavour of the time.

*Special thanks must go to comrades Karim Hirji and Henry Mapolu of the University of Dar es Salaam, who read the manuscript in a spirit of constructive criticism. But, contrary to the fashion in most prefaces, I will not add that ‘all mistakes and shortcomings are entirely my responsibility’. That is sheer bourgeois subjectivism. Responsibility in matters of these sorts is always collective, especially with regard to the remedying of shortcomings.*

I find these instances particularly interesting when you juxtapose them against our current intellectual culture, if a culture we can call it. Young lecturers today would feel particularly insulted if a student did not attach an accurate appellation of a ‘Dr’ or a Professor to his/her name. But I am jumping ahead of my story. The present can wait a little, while we reminisce on the past.

Political leaders and intellectual activists of the time were not only political thinkers but also knowledgeable commentators on art and culture, on science and philosophy, on history and technology, because, as the truism of the day went, ‘The Truth is the Whole’. Mwalimu Nyerere wrote beautiful *shairi* (poems) and translated Shakespeare’s *Julius Caesar* into Kiswahili. Just before he died, he completed the translation of Plato’s *Republic* into Kiswahili. Our reading list for the Sunday ideological classes, besides the ‘standard texts’ of Marx, Engels, Lenin, Mao, Fanon, Nkrumah, Odinga, and others contained authors on anthropology like Childe (*Man Makes Himself*), Snow on Chinese civilisation, Joan Robinson, Paul Baran and Paul Sweezy on economics, J. D. Bernal on science, Rodinson on ‘Islam and Capitalism’, Rene Dumont on agrarian issues and many works of art and literature of which, of course, Gorky’s *Mother*, Tressel’s *Ragged Trousered Philanthropists*, Achebe’s *Things Fall Apart*, Soyinka’s *The Man Died*, Ngugi’s *Petals of Blood*, Sembene Ousmane’s *Gods Bits of Wood* and Shafi Adam Shafi’s *Kuli* were ‘compulsory readings’ marked with a red asterisk.

No doubt this intellectual ferment, this ‘insurrection of ideas’, was world-wide but – it is important to recall for the benefit of our young students and modern-day market-driven institutional transformers at this University - the Hill was the African hotbed of this intellectual ferment. It is this which put the Hill on the intellectual world map, which no amount of computer systems and internet cafés, however modern, can do, notwithstanding the paternalising flattery of the American *Chronicle for Higher Education* (6 April 2001) describing the University of Dar es Salaam as one of the few African success stories in one of the most poor countries which have been ‘winning praise – and increased financial support from the West – for their efforts to transform themselves.’
Transform ourselves, we indeed have, and not only at this University but also in the country as a whole, nay, globally. The comment I have just quoted, if made then, would have raised eyebrows and resulted in soul-searching: ‘If you have been praised by the imperialist press, then there is something wrong with you’, the argument would go. Today, we receive such comments as a compliment; it is photocopied and circulated to every member of staff. But why blame a University administrator who feels flattered when complimented by the American Chronicle when our state leaders cite the pronouncement of an American ambassador as proof beyond reasonable doubt that, for example, the elections were free and fair or that we are credit worthy and therefore eligible to become more indebted and so on.

The global transformation from the third quarter of the twentieth century to its last quarter is pervasive; whether or not it is deep is a different matter. The transformation that I want to speak to – and which was dear to Babu’s heart – is of course from the age of liberation and revolution, in which the forces of reaction generally, and imperialism particularly, were on the defensive, to the current period when even the uttering of the word ‘imperialism’ would earn you a place among intellectual dinosaurs, that is, if you are lucky enough not to be placed on the identification parade of so-called ‘terrorists’. How does one explain the transformation of the utterly, and almost universally, vilified imperialism to the respected, feared and universally acclaimed ‘international community’ within such a short historical period? In other words, the central question we need to address is how did imperialism rehabilitate and legitimise itself to the extent that the former British Secretary of State, Douglas Hurd, could say with satisfaction in 1990 that:

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we \text{ are slowly putting behind us a period of history when the West was unable to express a legitimate interest in the developing world without being accused of ‘neo-colonialism’ (Furedi, 1994:99).}
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Perhaps the most illustrative, informative and symbolic comparison between the two periods is the Ten-Year Vietnamese War (1965-75) with The Ten-Year Gulf War (1991-2001). (The latter, of course, is not quite over and may even dovetail into another devastating Afghan War for, God knows, how long.) The Vietnam War was horrendous as was the Gulf War. Three million people are estimated to have perished during the Vietnam War, mostly civilians – presumably in, what American commanders heartlessly call, ‘collateral damage’ (Pilger, 1998:555). Half the forests were destroyed and the genetic damage done to the countryside through defoliants has yet to be fully worked out. A quarter of a million people perished in the Gulf War and half a million children have died since as a result of sanctions (Ibid, pp. 29-30; Arnove 2000). Still worse, the scientific, technological and medical infrastructure of Iraq, which is acknowledged to have been one of the most modern in the Third World, has been virtually bombed out of existence. It is said that US aircraft alone dropped 88,000 tons of explosives on Iraq, the equivalent of five Hiroshima nuclear blasts (Arnove, 2000:115). But it is not the similarity of horror and the inherently war-mongering nature of imperialism which I wish to emphasise, important as it is. It is the difference that I want to draw attention to. And this is the global anti-war movement generated by the Vietnam War and the moral devastation of imperialism resulting from it compared to the relative absence of both in the case of Gulf War. This needs to be explained. True, US imperialism was militarily defeated in Vietnam but this was not because of its military weakness. In my view, the military defeat was the tail end of the process of defeat. US imperialism was defeated in the hearts and minds of world opinion before it was defeated on the battlefield. The broad anti-imperialist movement that Vietnam generated across countries and peoples, in
which Africa, including Babu’s country, was prominent, is what is most remarkable. During the Gulf War, on the other hand, there has hardly been any official reaction from this part of the world and the Hill, if at all, has even forgotten that such a thing exists. In a sense, the Gulf War marks the beginning of the ‘moral rehabilitation of imperialism’, to use Furedi’s phrase.

I want to suggest that in this rehabilitation, the transformation of the intellectual culture and discourse played and continues to play a vanguard role.

I am quite conscious that assigning such a prominent role to Ideas and Intellectuals sits rather uncomfortably with marxists and, had it been the 1960s, I would have been promptly denounced as a petty bourgeois idealist. We of course devotedly declared that ‘Masses move Mountains’ but at the same time subtly recognised that ‘Insurrection of Ideas precedes Insurrection of Arms’. In other words, masses have to be moved by ideas before they can move mountains. Whether arrogantly, as with Lenin, or more modestly, as with Mao, marxist ideologues gave similar prominence to Ideas and Intellectuals. Lenin summed it up politically when he said that the working class on its own is only capable of trade union consciousness; political consciousness has to be introduced from outside – presumably by petty bourgeois intellectuals. Gramsci provided a theory for the intellectual’s role by propounding the concept of the ‘organic intellectual’ and Mao supplied a populist rendering of the intellectual’s role when he stated, ‘We must give back to the masses systematically, what we receive from them confusedly’. We, presumably, refers to ‘We, the Intellectuals’! Amilcar Cabral made it comfortable for the petty bourgeois intellectual to assume leadership of the revolution provided he or she committed class suicide. And ‘our own’ Wamba seriously and sincerely flatters the people when he says, ‘People Think’. He could have perhaps added, ‘We, the Intellectuals, Think with the People’ (hopefully not for the people!).

Be that as it may, I simply want to argue that the intellectual discourse or the ‘insurrection of ideas’ of the age of liberation and revolution was as important in delegitimising imperialism as the suppression of ideas and decimation of the intellectual body has been in rehabilitating it. Let me illustrate this, in a few broad strokes, by the transformation of the intellectual discourse and the metamorphosis of the Intellectual at the Hill.

I have already indicated the intellectual ferment, the Golden Age, so to speak, of intellectualism at the Hill. It was all-pervasive as we read voraciously and debated profusely. Every publication was an event; every return from a field trip was an occasion for reflection, every seminar was a forum for ideological struggle, which, admittedly, we sometimes overdid. Many of our comrades who occupy state positions or are employed by respectable universities overseas or have become much sought after consultants, (or are state presidents and commander-in-chiefs), have either outright disavowed that period or feel embarrassed to talk about it. Nonetheless, I believe it was a great period imbued with unfaltering commitment to The Wretched of the Earth. And that was its greatest strength. Some other strengths may also be mentioned.

First, the basic premise of that discourse was that the Truth is the Whole and that knowledge cannot, and ought not to be divided and compartmentalised. Bourgeois compartmentalisation of knowledge was roundly condemned and De Castro’s dictum in his The Geography of Hunger was ravishly quoted:
Narrowness of outlook is characteristic of Western civilisation. Since the middle of the nineteenth century a kind of university instruction has developed which is no longer interested in transmitting a unified image of the world, but rather in isolating, and mutilating, facets of reality, in the supposed interest of science. The tremendous impact of scientific progress produced a fragmentation of culture and pulverised it into little grains of learning. Each scientific specialist seized his granule and turned it over and over beneath the powerful lens of his microscope striving to penetrate its microcosm, with a marvellous indifference to and towering ignorance of everything around him. Recently in Europe and the United States an extreme development of this type of University education has created within the culture a sort of civilisation sui generis – a specialists’ civilisation – directed by men whose scientific outlook is rigorous but who suffer from a deplorable cultural and political myopia.

That wholistic premise gave rise to the interdisciplinary course called Social and Economic Problems of East Africa taught in the first year in law. It developed into the Common Course co-ordinated by Lionel Cliffe and eventually became the Institute of Development Studies. Today, development studies courses themselves are divided up and revised to make them more market-oriented and acceptable.

Second, the intellectual debate was guided by grand social theories and inspired by epochal visions of social emancipation of all humankind. We saw ourselves as part of a great historical movement of liberation and revolution. Marxist theories of capitalism and imperialism, its various offshoots such as the theories of development of underdevelopment were subject of study and discussion. Analysis of material life, modes of production and relations of production were seriously undertaken for, it was believed, social transformation cannot simply be wished and be brought about by human will, but must be scientifically understood because human will too is historically and socially determined. True, both the scientism and marxism were occasionally overdone as marxist-leninist texts were scrutinised to the last comma to denounce non-conformists. It was this perhaps which once prompted Nyerere to say that he wouldn’t want to see the apes of the East or the apes of the West in ‘his’ University. One wonders, if he were alive today what would he have said when confronted with the puppets of the West in many an African state on his continent.

Inspired, we certainly were, by Western socialist theories and practices of liberation and revolution in the world, particularly the Third World. But there was considerable amount of imagination and choosing even in aping. More important, we firmly held to our commitment to the Rest, The Wretched of the Earth, while learning from the East and the West. There was an unwavering loyalty to universal emancipation (‘Workers of the World Unite’), but this did not detract from our emphatic understanding that not only the ‘Truth is the Whole’ but also that the ‘Truth is Concrete’: we must make a concrete analysis of concrete conditions. The Cheche banner proclaimed: ‘Oppressed of the World Unite!’

‘Concrete analysis of concrete conditions’ and ‘No investigation, no right to speak’ were taken seriously. And that was the third strength of that discourse. Grand social theories were backed by basic research. Discoveries made in the field were presented in seminars and hotly debated. Adhu Awiti spent months and years in Iringa villages scrupulously documenting peasant differentiation in the ownership of the means of production to produce his ‘Class Struggles in Rural Society of Tanzania’. Von Freyhold spent months in Tanga ujamaa villages to give us a concrete understanding of ujamaa on the ground and Marjorie Mbilinyi did similar work to identify embryonic capitalism in rural Tanzania. Henry Mapolu studied tobacco farms in
Tabora and Ben Ndulu researched villages of the Rufiji basin (yes, in case you are wondering, I’m referring to the same Ben Ndulu who is now the World Bank representative to his country!).

In this period of institutional transformation, which has earned us a US$3.5 million grant from the Carnegie Corporation of New York, basic research has all but died down. We have metamorphosed from intellectual researchers of yesterday to policy consultants of today. The truth of course is that we are neither consulted nor recommend policy. Policy is set elsewhere by those who hold the purse strings while, we the local counterparts, as we are called, mount stage shows organising national workshops of ‘stake-holders’. No one pretends that consultancy generates knowledge, much less that the consultant is an organic intellectual of The Wretched of the Earth. We all know, and admit it in private, that we are neither organic to anything nor intellectuals. We are simply paid juniors, euphemistically called ‘counterparts’, of Western consultants paid by the West, leaving us little time to care about the Rest. In this game of euphemisms, Western paymasters are called ‘development partners’; consultancy reports are called ‘development work’; ‘development work’ is dutifully executed by a Western team leader called a ‘development practitioner’. If all this sounds like Orwell’s ‘double-speak’, well then, it is!

I want to suggest that it is the amazing double-speak of imperial consultants and propagandists which has been at the heart of decimating the body of ‘Intellectual Thought’ that provided the theoretical foundation and ideological inspiration for the age of liberation and revolution. The double-speak is aimed at three targets. One, at rehabilitating imperialism morally by demonising Third World nationalism and delegitimising Third World states (particularly in Africa) as no more than a coterie of ethnic groups out to loot poor, ignorant populations who need to be saved from their own rulers by the humanitarian interventions of the international community (Furedi, 1994). An editorial in the US News and World Report (28 December 1992) declared Third World nationalism as a great delusion:

In the Third World, there had been grand ideas of new states and social contracts among the communities, post-colonial dreams of what men and women could do on their own. There were exalted notions of Indian nationalism, Pan-Arabism and the like. Ethnicity hid, draped in the colours of modern nationalism, hoping to keep the ancestors – and the troubles – at bay. But the delusions would not last. What was India? The India of its secular founders - or the ‘Hindu Raj’ of the militant fundamentalists? What exactly did the compact communities of Iraq – the Kurds, the Sunnis and the Shia – have in common? The masks have fallen, the tribes have stepped to the fore (quoted in Furedi, 1994:102).

Humanitarian interventions to save the Third World people from themselves then is presented as the motif of numerous military and economic interventions by the ‘international community’ from Serbia to Somalia. These interventions are not only begged for by our political leaders themselves but also justified by our intellectuals. Statements like those quoted are presented as matter-of-fact not requiring any further proof. They are not ideological statements and require no historical or theoretical justification since, it is said with Fukuyama, all ideologies and history have ended. In the post-cold war period we do not have any clashes of ideas or ideological struggles but the ‘clash of civilisations’, as Samuel Huntington, the intellectual think-tank of the US State Department, proclaims. The clash is supposedly between the Western civilisation and Islamic and Confucian civilisations, between the Good and Evil, between the Values of the Free World, and the prejudices
of the Rest, between People and non-people (see generally articles in the *Third World Quarterly*, March 1995).

Of course, the clash of civilisations had to be invented. How else would one justify the expanding military machine of imperialism while at the same time proclaim ‘end of ideology’ after the Cold War? We all know, but can hardly say, particularly if you happen to be from Africa, that there have been more wars, more destruction of life, more arms sales by the West in the last ten years after the Cold War than any time during the so-called Cold War.

The second big onslaught has been to make the ideology of human rights, and its related offshoots such as rule of law, good governance, poverty alleviation etc., all pervasive. Again human rights is of course not presented as an ideology but an immortal, all time truth. Its unquestioning pervasiveness and acceptance among our own intellectuals is remarkable. When I wrote my *The Concept of Human Rights in Africa* arguing that it was an ideology of domination and that we needed to reconceptualise it and turn it on its head to make it an ideology of resistance, it was simply ignored and brushed aside as demagogic. Perhaps demagogic it is but pales before the demagogy of human rights and yet the double-speak in that ideology is so blatant.

There is not much time to go into the analysis of human rights as an ideology except to point out that it has, at least in the short run and in this part of the world, been pretty effective in displacing grand social theories and vision of human emancipation. Former Marxists, activists and even right-wing propagandists have all jumped on the human rights bandwagon (my friend Haroub Othman here and his friend Issa Shivji have all become human rights activists). Human rights discourse has succeeded in marginalising concrete analysis of our society. Human rights ideology is the ideology of the *status quo*, not change. Documentation of human rights abuses, although important in its own right, by itself does not help us to understand the social and political relations in our society. It is not surprising that given the absence of political economy context and theoretical framework, much of our writings on human rights, rule of law, constitution etc. uncritically reiterate or assume neo-liberal precepts. Human rights is not a theoretical tool of understanding social and political relations. At best, it can only be a means of exposing a form of oppression and, therefore, perhaps, an ideology of resistance. If not carefully handled, it cannot even serve that purpose.

The third target of imperial ideological onslaught has been the organisational expression of people’s struggles. Traditional and historically well tested forms of organisation like parties, trade unions and mass movements are placed on the same footing as non-governmental organisations, NGOs. As a matter of fact, it is the various human rights NGOs which occupy the centre stage because they are the best funded by the donor community and whose importance is blown out of all proportion to their real capacity for change.

The very concept of NGO has drained the people of the organisational expression of their struggles. NGOs are supposed to be non-political, non-partisan and non-membership, formed by activists, usually from outside the social group that they are advocating for, without any constituency, accountable only to themselves and the funder. Their function, as they see it themselves, is awareness raising and advocacy in which the people themselves are passive, ignorant subjects or victims, incapable of struggling for their rights. Under the demagogic precept of ‘action not words’,
even well-intentioned individuals in NGOs willy-nilly end up supporting the status quo because they have no theoretical tools or ideological stand to guide them. In the world of NGOs, theory and ideology are swear words. They are despised. In other words, we are told to act, not to think.

As part of the process of delegitimising the Third World states, which are daily decried as corrupt and inefficient, donor funds are channelled to NGOs. NGOs are encouraged to think of themselves as development partners equally with the state and ‘international community’, not as pressure groups exposing the misdeeds of their states and imperialism, which is what they are in the West. In many ways, NGOs have provided both the state and the ‘international community’ a convenient alibi from shouldering and accounting for their own responsibility. The so-called NGO activity has diverted the energy of the people from demanding structural reforms to attending rights awareness seminars and workshops. And these seminars and workshops are generously funded when normal schools and institutions of higher learning would find very difficult to raise funds to carry on their normal activities as sites of knowledge. Today it would be easier to get funds for the Faculty of Commerce to mount a seminar for women *mandazi* sellers to attend a short course on entrepreneurship than to establish a trade union college to train shop stewards who can fight not only for the rights of workers but also understand and impart the knowledge on why and how privatisation and market lead to redundancy!

The demonisation of Third World nationalism, the propagandising of human rights and the boosting of thousands of NGOs as the expression of civil society has simultaneously done several things. One, it has denigrated the ideologies and visions of liberation. Second, it has delegitimised, particularly, African states and turned them into nothing more than ‘verandah boys’ of the ‘international community’. Third, it has taken away the right of the people of these countries to wage their own struggles, and thereby generate their own organisations and mass movements. Fourth, it has reduced the oppressed masses and exploited classes from a revolutionary agency to supplicants for aid, classified as the most poor and vulnerable, qualified to receive handouts from poverty alleviation funds. Fifth, it has robbed the masses of its organic intellectuals and thinkers. Our universities have been transformed from being sites of knowledge to corporations busy advertising their wares on the market, the chief among them being our consultants with Ph.Ds. The primary research of these erstwhile consultants is confined to ‘rapid rural appraisals’ to produce policy papers which are then submitted for endorsement by stake-holders – a motley of academics, bureaucrats, NGO activists, foreign consultants and development practitioners. The rural people cannot possibly be stakeholders because they cannot have a stake in the system that oppresses and exploits them every hour of the day. Nor can the consultant-researcher on rapid rural appraisal develop any organic link with workers and peasants. He or she is probably busy categorising and classifying them as poor, less poor, most poor, most vulnerable and so on to enable him or her to draft a policy paper on Poverty Reduction Strategy or for identifying the target group for the next NGO project.

To sum up the intellectual discourse and concepts of the 60s and 70s with that of the current one, let me just juxtapose the two. At that time the young radical intellectual committed to the cause of the Wretched of the Earth saw the world divided into three worlds. The Third World was undoubtedly the oppressed and exploited while the First World was undoubtedly the home of oppressor states. He or she debated on the social and political character of the Second World meanwhile sharpening his theoretical tools to understand the world so as to change it. The third world had...
within it colonial and neo-colonial countries and oppressed nations and nationalities whose liberation from the coloniser or the imperial neo-coloniser was on the historical agenda. Imperialism was explained, with Lenin and Nkrumah, as a stage in the development of worldwide capitalism headed by the North and living and sustaining itself by the draining of surplus from the South. Within these countries you had classes: comprador classes siding with imperialism, and exploited and oppressed classes, objectively poised as the agency of liberation. The task of the radical intellectual was to understand the system of enslavement and build and organise the forces of revolution against imperialism and capitalism so as to build new democratic and socialist societies which would answer to the needs and aspirations of the masses. Our radical intellectuals believed that social change and transformation does not come as a manna from a messiah but is the result of the struggle of the people in which they constitute themselves as people to regain their humanity. He or she did not make a distinction between political and civil, between non-governmental and governmental but rather preached and practised the dictum that, ‘Politics is the concentrated form of economics’ and that ‘the state is the table of contents’ of civil society and class struggles.

Today, the world is presented as a global village which is being inexorably villagised by the forces of globalisation. It consists of the international community and others. The composition of the international community is flexible but rogue-states are definitely not part of it. No one, we are told, has control over the processes of globalisation because it is controlled by the invisible hand of the market, which incidentally, is a very competent distributor of resources. We, in the Third World, do not have much of a choice in this globalised world. Our leaders tell us that we either adapt to globalisation or perish. The globalisation experts tell us, and our political leaders repeat it parrot-like, that globalisation offers opportunities and challenges. To be able to make use of these opportunities, among other things, we need to behave ourselves; enforce the civilisation values of freedom, individualism, good governance, and human rights. We must of course put in place an enabling environment to attract development funds by making available at no cost our state, sovereignty, land, labour, minerals, water and air and space to investors. For this we need appropriate sectoral policies and the international community would always consider our applications for funds to hire consultants to draft such policies for us.

All this sounds like a caricature and double-speak of the most blatant kind. We all know that there is no community of interest in the international community; that globalisation is just another name for imperialism; that the global village embodies in it global pillage; that all cards are staked on one side in stake-holders workshops; that good governance is another name for legitimising economically despotic system for, governance is not a question of morality but a contest of power. Yet, it is amazing how often this farce is re-enacted and the most we can allow ourselves is to make a few sarcastic remarks, which is good entertainment, while business continues as usual.

To conclude: it needs hardly to be said that we are in the trough of the world revolution but I do not believe that all is lost. The forces of progress may have been defeated but certainly not destroyed. Wherever there is oppression, there is bound to be resistance. There is a silver lining and we are already witnessing it: Seattle, Prague, Gothenberg, Genoa are dress rehearsals. Before South Africa’s liberation, Babu used to say, half-seriously, that within Tanzania, Zanzibar is the centre of the African revolution; within East Africa, it is Tanzania; and within Africa it is South Africa. If he were alive today, he would have perhaps reassessed as to where the
centre of gravity of the revolution lies. He would have been a little disappointed that Zanzibar is not quite central, but he would have been certainly heartened by the fact that there has been Genoa and Gothenberg and would have certainly applauded the fact that we are able to hold an international conference on this Campus, and in this Lecture Theatre to which he, and many of us, have sentimental attachment. He would have certainly advised his young comrades not to turn cynics. He would have reminded them that democracy is more important to revolutionaries than to the bourgeoisie. Learn from the fact that it is still possible in this country to hold a conference on Babu, the Tanzanian Revolutionary. ‘Comrades,’ he would have said, ‘do not fritter away this opening. Use it.’

He would have been happy that we are using it and we are also using him and letting him continue making his contribution from the grave. That is the greatest tribute we can pay to a revolutionary.

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References


Imperialism & International Governance: 
The Case of US Policy towards Africa

Robert Biel

This article argues that capitalism requires a structure of international governance, and that this can fruitfully be interpreted by integrating elements of the imperialism perspective with international relations theory. A key issue is the study of the interface between country-level governance and that of the international system itself. Capitalism needs to adapt from a relatively simple state-centric model of international governance to one which encompasses and tries to exploit an environment peopled by regimes, non-governmental organisations, ‘international civil society’, and rapidly developing international law. But it seems that that this tendency is incompatible with an underlying imperative of deploying pure force in the selfish interests of the dominant powers, particularly the United States.

The International Relations of Imperialism

The central issue in this article is the tension between national forms of governance which have developed relatively sophisticated systems of social control, and an international structure which may at times seem to look in the direction of global governance, but which in practice tends to fall back on the deployment of pure force and openly arbitrary actions in the selfish interest of great powers.

The ‘Realist’ approach to IR theory is centrally concerned with the deployment of power. In what follows, I will propose a somewhat different perspective on state-centricity, one which sees the state as an interface between two levels of managing society, the country level and the level of the world system. At the international level, even an equivalent for the state is lacking as a mechanism to impose order. The disorder which was abolished at a national level is re-created at a higher level, in the shape of anarchy and conflict in the system formed by the states themselves (Rousseau, 1964 [1759]:564). The central focus in addressing this problem has often been perceived to be the balance of power – sometimes seen as structural (a property of the system itself, whereby it spontaneously acquired a certain balance through the interplay of selfish state interests) and sometimes as an issue of agency (national diplomacy).

But, as this article will show, there is a need to bring in an element of imperialism theory. It is beyond the scope of this paper to dissect the different schools of imperialism theory, but I wish to retain two key points. First, there is a weakness: approaches to the analysis of imperialism from the left in the early 20th century shared an emphasis on rivalry between the global powers and neglect for the possibility of evolving more modern, collective structures of dominance. Second, the point of strength: that imperialism theory has emphasised the fundamental importance of exploitation;
more specifically, extracting value from the global South and using this to defuse protest at a societal level in the North. I will take these characteristics as my core definition of imperialism.

If we inject this perspective into the ‘Realist’ vision of international relations, it is possible to see how the balance of power itself contained latent tendencies to a collaborative system of dominance. Furthermore, the inter-state system can be used in such a way as to maintain country-level social order, as Kissinger perceptively noted (Kissinger, 1957). Africa played a significant part in this. The Conference of Berlin was an exercise in collective management, through which the capitalist powers learned the benefits of collaboration. J.A. Hobson ably described the political economy of this form of imperialism: consumption of manufactures could rise in the North through the exploitation of the South as a source of cheap labour. The risk inherent in allowing or encouraging the South to industrialise would provide a stimulus for developing a control structure, namely a ‘federation of the Western states’ (Hobson, 1938). The crucial point is that, if dependent industrialisation were to proceed in the states of the South, this would imply changes in the latters’ internal socio-political structure. This might be beneficial to capital accumulation by providing for internal social order, but it would also generate profound changes for the international order and those who preside over it. Central capital accumulation tends to undermine processes of local accumulation which might drive an effective country-level state-formation. This is helpful in limiting the South’s autonomy at an IR level, but could lead to costly problems of ‘state collapse’.

This enables us to place in context our specific subject of enquiry, the international actions of the United States. For, historically, what has developed is first, a hierarchical system in which ‘the North’ as a whole dominates international politics, so that Southern countries might undergo processes of state-formation and industrial development but still be subjected to a second-class status; and second, a structure with elements of hegemony reflecting the particular role of the United States.

This brings us to the central issue of the problematic relationship between country-level social order and that of international system. The structural elements of the state system are not strong enough to universalise state sovereignty, and there is always a latent tendency for the dominant powers to intervene directly. While the ‘Realist’ model of equal powers cannot accommodate the existence of a sovereign at the world level, the system as it actually exists, with its mixed characteristics of hierarchy (collective dominance by the North) and hegemony (leadership by the US) permits the dominant actors to arrogate to themselves something analogous to an international-level sovereign power. A founding expression of this is the so-called Roosevelt Corollary to the Monroe Doctrine, pronounced by US president Theodore Roosevelt in 1904. Although formally concerned with Latin America, this provided an expression for a more general tendency within 20th to 21st century international control systems. Thus, in the absence of an institutional structure to maintain order, the United States would take on ‘the work which it feels is allotted to it as its part of the general world duty’; in other words, action which ‘in a more advanced stage of international relations would come under the head of the exercise of the international police.’ The general basis of this anticipates the discourse of ‘failed states’ where the disorder which is supposed to have been abolished by state-formation resurfaces:

If a nation shows that it knows how to act with reasonable efficiency and decency in social and political matters, if it keeps order and pays its obligations, it need fear no interference from the United States. Chronic wrongdoing, or an impotence which results in a general
loosening of the ties of civilised society, may in America, as elsewhere, ultimately require intervention by some civilised nation ... (all quotations from Roosevelt, 1904).

However, direct intervention is not the preferred option. We can believe Roosevelt when he describes it as ‘reluctant’ and ‘exceptional’, in the sense that intervention carries the risk of undermining the establishment of effective political order, which in turn increases the pressure for further intervention. Witness the denouement of Operation Restore Hope, an intervention by US troops in Somlia in 1992-3 under UN auspices, which became a ‘peace enforcement and nation building mission’ in the course of which a US task force suffered a traumatising defeat. Ideally, capitalist world order would yield more sophisticated and, as far as possible, self-maintaining systems of international-level order which would limit crude intervention to a last resort. The remainder of this article will look at the tendencies in this direction, while arguing that ultimately they will fail.

**Governance & the Contradictions of Regulating States**

The mechanisms of global governance take account of the relatively complex interactions described in the ‘pluralist’ approach to the study of IR, such as effective non-state actors which participate in international society alongside states (e.g. international NGOs), non-state-centric patterns of interaction, different levels of international society itself including perhaps the emergence of international civil society, as well as institutions and regimes, systems of norms and international law. During the cold war the peculiar features of bipolarity meant that systemic management through a modified form of power and state-centricity still seemed plausible. The fundamental North-South inequality and hierarchy was masked by what seemed to be the predominant form of inequality, between the two superpowers and the rest. The element of local/regional inter-state conflict was also contained because of the risk that it would destabilise the superpower balance. At the same time, dependent industrialisation was exploring its initial phases within tolerable limits, so Southern states appeared to be accumulating enough to move in the direction of effective internal governance.

Because of these peculiar characteristics, the process of developing the more sophisticated control mechanisms of global governance was in a sense temporarily suspended. A new period could be said to begin with Reagan when the ‘rollback’ policies which destroyed bipolarity inaugurated significant new experimentation in forms of control. That watershed also coincided with a new long cycle of global accumulation, which helps to explain the particular form of the new measures: new corporate management systems and neo-liberal economic policy, with their emphasis on actors seeking their niches within a web of subcontracting relationships, could demand an equivalent public-political solution. But the experimentation which characterised the twenty-year period between the advent of Reagan and September 11th was far from consistent. The following specific themes can be highlighted:

1) US policy from the Reagan period was concerned to manufacture acceptable forms of pluralism. Coordinated by the National Endowment for Democracy (NED), a range of domestic US civil society actors were employed to distribute funds to political groups in the South. Partly, this served to secure the intended results in elections, and proved particularly successful in Latin America (c.f. Burbach, 1993). William Robinson highlighted the importance of the concept of *polyarchy*, defined as a distinct form of elite rule, which ‘performs the function of legitimating existing inequalities, and does so more effectively than authoritari-
anism’ (Robinson, 1996:51). The more creative form of this manipulation would deal not just with political groups but a wider range of civil society actors. Selective funding of organisations could, for example, promote the political basis for the new order: consensus (Hearn, 2001).

2) A current of opinion among international NGOs had for some time been arguing that sovereignty should not stand in the way of humanitarian assistance. The extreme projection, as in southern Sudan, saw NGOs actually running the local polity. This form of humanitarianism could fit with a certain trend to push in the direction of ignoring state machines altogether. In the words of a leading figure in US Africa policy under Bush Snr., ‘Overall, we decided that fighting legitimacy battles was a waste of time and that, as a superpower, we did not have to worry about offending anybody’ (Cohen, 2000:14).

3) A strong role for (manipulated) multilateral institutions: the Bush Snr. view of the post-cold war order, together with, for example, Madeleine Albright’s ‘assertive multilateralism’ reflects this perspective. It would be far more effective for dominant states to work through institutions rather than frankly in their own interest, thereby working towards the ‘more advanced stage of international relations’ absent in Theordore Roosevelt’s day. International institutions were now comparatively safe in the sense that the developing countries’ attempt to ‘capture’ them in the 1970s had largely been destroyed.

4) The free market itself could be used as a tool of governance, for example in the sense of ‘tying’ potentially troublesome states into a ‘civilising system’. Already foreshadowed for some time, for example in US China policy, this became in the Clinton period a central political agenda in its own right.

5) The changing role of the Bretton Woods institutions created some tendencies to the emergence of a world-level bureaucracy whose apparent neutrality is reflected in the large number of functionaries either from the South or from the NGO community. Their policies reflect an element of liberalism derived in a sense from colonialism (c.f. Young and Williams, 1994) but nevertheless transformed by being multilateralised. Structural adjustment itself is an exercise in international policing; it has created changes in the international system, for example the weakening of Southern state power giving way to a re-definition of the state itself: the ‘enabling state’, creating forms of governance suited to the era of globalisation.

The Dialectics of Multilateralism & Coercion

However, the above elements never acquired a coherent mode of interaction in a systemic sense. This is precisely why the spectre of direct military intervention remained close to the surface. It is too risky for Northern states to create or reinforce mechanisms – regimes, institutions, international civil society – which could take on a life of their own. The fear seems to be, first that the institutions could in some way be used against the powers that are manipulating them, and second (perhaps more important) that if these institutional structures deepened towards a robust system of international law, this would limit the power of the North unilaterally to intervene under conditions of its own choosing.

This phenomenon is also visible in economic regimes: the insistence of the North, particularly the US, in twisting the WTO to serve its own purposes, and the refusal to
accept any limitation on the right to impose tariffs or reprisals in pursuit of what is identified as national interest, undermines the potential of these institutions as organs of a self-reproducing governance structure. In terms of our primary purpose here it can be noted that ‘a more advanced stage of international relations’, in Theodore Roosevelt’s term, would be one where the international police power would be institutionalised, and would therefore not be exercised by a country unilaterally. It might well be important for the US to ensure that the more advanced stage of international relations never became a reality! The Bush Snr. vision of a post-cold war system centred around a strong UN was virtually a non-starter, the US remaining heavily in debt for its subscriptions, and paying only the bare minimum to avoid being deprived of its UN seat. Joint action has tended increasingly to be conducted through the North’s own institutions, like the US-dominated NATO.

The fear of effective governance regimes can further be illustrated by reference to a field particularly relevant to our area of concern, that of extreme human rights violations. A feature of the post-cold war period has been a tendency to develop and enrich international law, and much of this has gone in the direction of preventing human rights abusers from shielding behind sovereignty. Logically it might seem that these developments, instituted by the good motives of new actors like international NGOs, could be co-opted as a supplementary indirect mechanism for the deployment of Northern state power; but this is not how it has worked out. When the demand to establish an International Criminal Court surfaced, the Clinton administration sought to pre-empt the risk of creating a seriously independent institution with a life of its own by taking the initiative to establish a very limited Court subject to the Security Council. But when in 1998 a much stronger concept began to gain the upper hand, the US responded by forcing through a series of safeguards designed to make it practically impossible to prosecute US citizens. A US professor of international law, arguing in support of this strategy, said:

_The United States bullied its way into getting the US stamp on almost every single provision in the International Criminal Court statute. It really is a US statute with just a couple of exceptions_ (Guyatt, 2000:70).

But, this was still considered too dangerous: in spite of all the assurances, the right wingers won the debate and the United States has thus refused to ratify the establishment of the Court; their argument was conducted not so much on the basis of isolationism, but the traditional realist right to intervene anywhere in pursuit of national interest.

There is thus a strong tendency for the US to move increasingly away from international law and norms, basing itself on ‘power politics’ and the pursuit of individual-national interest. In the post-September 11th environment this is expressed in refusing to hand over its enemies, let alone US citizens, to international justice. The recent ‘Patriot Act’ actually undermines even the relatively primitive restrictions on sovereign human rights abuse which were present in Theodore Roosevelt’s time (c.f. Emewu, 2002).

This will not of course stop the US pushing intervention under slogans which it does not observe itself, any more than it stops Bush criticising Mugabe’s electoral fraud! But it does make governance slogans appear more clearly for what they are, namely a tool in the pursuit of imperialist interests. In fact the US has traditionally oscillated according to how far it pursues systemic goals or individual interest.
Imperialism & Africa

The specific case of US policy in relation to Africa is influenced by the special way Africa has been shaped by colonialism and imperialism as a whole: an area to be freely plundered of its resources, initially human, then increasingly minerals and cash crops. Subsequent attempts at ‘modernising’ imperialism often intensify these tendencies. The developing imperialist international division of labour requires some areas of the world for cheap-labour manufacturing industry, but on the whole Africa has been bypassed in this respect. When the post-World War II order was being constructed, the US was largely content to superimpose its hegemony over Europe, and let the European powers run Africa without itself intervening directly (Louis and Robinson, 1982). Although in Asia the cold war worked (for example through the Nixon Doctrine) in favour of a limited capitalist development, whenever Africa appeared central to the cold war (mainly in the late 1970s) the results were different - simply reinforcing the general colonial trend for the continent as a playground for geopolitical fantasies. More recently, at least according to some opinions within US policy circles, even Africa’s historical strategic importance as a source of minerals is decreasing (Foltz, 1986:63).

Studies of US Africa policy from within the US establishment often describe a lack of coherence at the level of either perception and/or bureaucratic structures. Furthermore, because of the low level of priority given to Africa in general, this fragmentation is not challenged by a strong policy idea (Schraeder, 1994) A recent conference debate on US national interest in Africa similarly concluded that, more than in other regions, US policy was torn between conflicting domestic constituencies, and ‘it often appears that the unstructured sum of these interests is the policy’ (Gordon et al. 1998:78).

There is undoubtedly some truth in the assertion that Africa was never of sufficiently central significance for even an attempt at a coherent ordering of themes. But our perspective would suggest that the incoherence is a surface manifestation of something deeper. Ultimately, the different bureaucratic or sectional interests reflect different contradictory demands of modern imperialism, contradictions which cannot be reconciled in a convincing way: most fundamentally, the extraction of profit always tends to clash with the demand to permit sufficient local accumulation to fund a governance structure to guarantee the future extraction of profit.

The Clinton era saw an attempt to engage this central contradiction through an attempt to create a new policy, the elements of which have to some extent been taken over by default by the current administration. The change to a stronger emphasis on Africa was also pushed by concrete factors such as the experience of the operation in Somalia, and the role of the African-American constituency. Such a policy shift would be expected to have a guiding ‘idea’ and the Clinton administration has been criticised, for example by Alden, for its lack of coherence in this respect, the problem being typified by the administration’s sudden shift from propagating the Afro-pessimist ‘state collapse’ thesis, to suddenly espousing the ‘African renaissance’ (Alden, 2000:360).

On the one hand, the state collapse idea had become deeply embedded within African studies, under various guises (Dunn, 2001:46); on the other hand, it can be argued that the theme also strikes a resonance with some of the embedded discourses of US foreign policy more generally, in particular the twin themes of ‘disorder’ and ‘vacuums’ which are taken to justify US involvement. Thus it is quite predictable that
the theme would recur in the context of the Clinton rethink. Superficially, the latter appears as a post-cold war initiative, so it is understandable that the problem would be presented under such a form, namely that with the disappearance of the Great Power calculus that precluded a full-blown political vacuum, Africa has been vulnerable to the phenomenon of state collapse (Gordon et al. 1998:86). But in a deeper sense, it fits into the problematic of imperialist governance, within which the cold war was only an episode. It was state collapse in Somalia which provided the focus: as this case shows, economic marginalisation is not necessarily translated into political marginality. In fact the opposite correlation might hold true if, in the absence of relatively coherent capitalist industrial development, the less privileged regions lose their ability to sustain viable national/state machinery. In this case the North would no longer be able to sit back and rely on governance through subordinate nation-states.

**African Renaissance: Resolving the Governance Problem?**

This is where the link with the ‘renaissance’ element comes in. The logical policy response could be a mixture of two elements: treating the effects (by aid to alleviate the extreme social dislocation); or treating the cause, by measures to redress uneven development itself. It is easy to see the attraction of a discourse which focuses upon attacking the cause rather than the symptoms. This fitted in neatly with Clinton’s discovery of what seemed to be a new kind of ‘modernising’ discourse, whereby the free market could be promoted in such a way as to reconcile the demands of improved governance with expanding the sphere of operation of US multinationals. In Africa, there was both a special basis and a special motive force for deploying this policy strand. The basis was the existing archaic structure of economic relations and governance of post-colonial Africa, which gave the US the chance to pose as liberal ‘good cop’ in relation to Europe. The motive force for this thrust to modernisation was the growing influence and organisation of the African-American constituency; the aim would be to bring Africa more into the mainstream of international capitalist development. The result was the Africa Growth and Opportunity Act (AGOA), passed in October 2000, under which selected African countries could have tariff-free access for their products into the US market. AGOA has a strong liberalising flavour and under this umbrella promising governance-models might develop. The contradictions between governance and accumulation might be wished away, in the sense that the criterion for good governance would become that of efficiency in facilitating the market. This would conform with the international finance institutions’ (IFIs) attempts to rehabilitate the state in the role of facilitating or ‘enabling’ integration within the global economy. Thus, the US can advocate some of the most ‘progressive’ trends in development thinking.

Following on from this, and giving concrete shape to the renaissance theme, would be the emergence of success stories which could be assessed by a set of criteria where the distinction between the economic and political simply collapses – they are ‘governments that are democratising, making social investments, seeking to alleviate conflict, and encouraging private sector development’ (Lewis, 2000:4). Success stories are badly needed, which gives some leeway to local elites to bargain, and a self-regulating structure might emerge from such bargaining.

Closely related to the African renaissance is the notion of the emergence of a new cadre of African leaders. A crucial aspect of the ‘new leaders’ idea is regional political order. The ‘success story’ governments not only conduct ‘governance’ within their
own frontiers but loosely act as regional powers. ‘Selective partnerships’ were formed with leaders of countries like Ethiopia, Eritrea, Uganda and Rwanda. Another expression of this can be seen in the Clinton administration’s initiative for an African Crisis Response Force (ACRF), trained by the US. Here again, though somewhat disastrously in the case of the backing for Kabila in Congo, there was a possibility of playing the modernising card in opposition to the neo-colonial manipulation of the European powers.

Taken overall, this is not a bad stab at a policy ‘idea’, but these elements of, or aspirations towards, coherence go no further than the objective contradictions of imperialism permit, and ultimately the new Africa policy will tend to fall apart because of these. In particular, the new policy sought unconvincingly to wish away the contradiction between central accumulation and local state-formation. The ‘trade not aid’ discourse triumphed essentially because it dovetailed with the agenda of the right-wing anti-aid contingent. US development assistance budget for Africa thus declined through the 1990s (Lewis, 2001:14), but even more significant than the declining volume of aid was the qualitative weakening of the institutions and structures of US influence. Some of the most interesting and innovative forms of imperialism had come out of the kind of influence promoted by the US Agency for International Development (USAID) (Hearn, 2001); but in fact USAID has always been weakly articulated with the rest of the US policy machinery (Lewis, 2001), and in the Clinton period this only got worse. Despite the supposed increased emphasis on Africa, the Washington policy machinery, diplomatic service on the ground, and aid apparatus actually dramatically shrunk during the 1990s in terms of number of employees and operational efficiency, with many USAID agencies being shut, for example (c.f. Lyons, 2000:7).

Under these circumstances, the emphasis on ‘renaissance states’ only accentuates disparities within the region. Even the ‘new leaders’, deprived of sufficient economic accumulation to fund effective development, therefore tended to fall back on regional political manoeuvring and plunder (see Taylor, this issue). Hence a regional-international politics of struggle for influence developed which tended to produce destabilisation rather than improved repressive governance. Critics point out that the ‘new leaders’ policy brought ‘few benefits and many disadvantages’ (Lyons, 2000:8). However, in practice, current policy recommendations have little to offer but an improved version of the same, as we will see in a moment.

Ultimately, imperialist states and specifically the US, seem unable to generate a ‘modern’ mechanism of international governance based in an order of nation-states. This failure already implies a latent tendency to revert to pure force. This is likely to be precipitated by the developmental context in the international political economy. The turn of the millennium witnesses two shifts: first, elements of a structural crisis are appearing in the current long cycle of global accumulation which had begun around 1980, hypothetically resolvable by the transition to a new cycle, but at the cost of several years’ severe disruption. Second, capitalist accumulation has a long-term tendency to destroy the basis of social and ecological sustainability of its own (and any other) system, a momentum likely to become acute at around the same time (Biel, 2000). The intensification of these problems is reflected or anticipated by social protest movements. This includes a resurgence of traditional people’s war, as in Nepal, new forms of people’s war as with the Zapatistas in Mexico, and a massive range of new social movements. On this basis, elements within US policy thinking have for some time been orienting themselves towards preparing for a general repressive strategy for the coming crisis.
Hence, the attacks attributed to Osama bin Laden have been convenient in providing the North with a cover under which to orchestrate a more general repressive strategy. Although the September 11th events were obviously the main catalyst, the basic shift in US policy occurred earlier, in the aftermath of the embassy bombings in East Africa. For example, a Congressional research report of September 1998 refers openly to the need for engineering public acceptance for sacrifices of dollars and lives (Perl, 1998). Africa became central within US policy, accentuated post-September 11th since more than half the twenty-two people on the US ‘wanted’ list are of African origin. But insofar as the issue with bin Laden, with radical Islam in general and with terrorism, is only a component for a wider agenda of repression, this centrality is likely to be superficial.

While the immediate post-September 11th response was to look for new means of military intervention on the continent, this was very soon supplemented by an attempt to provide some structure by refurbishing various elements from Clinton-era policy. The ‘selective partnerships’ theme has continued. Partly, this harks back to the classic joint military manoeuvres and ‘advisors’ of the cold war. A strategic link with Kenya includes training Kenyan police in anti-terrorism and ‘an amphibious landing by US Marines from ships positioned off the Kenyan coast,’ followed by joint military operations (The Nation, 4 & 19 January 2002). In Nigeria, US advisors reportedly occupy a floor of the Defence Headquarters (Daily Trust, 19 February 2002).

Despite this, the reliance on local military proxies will not be the same as it was during the cold war. Well before the emergence of the current anti-terrorism theme, strategic doctrine was beginning to accept that the US has less need for allies to provide large-scale military base facilities, because forces can now be deployed directly from the US itself (e.g. Foltz, 1986). And today’s post-September 11th debate has also gone in the direction of investing more in the long-range deployment capabilities, of ‘leaner, more agile, mobile and lethal forces’ (Campbell and Flournoy, 2001:334). The language is interesting: it imitates that used by the new management systems in describing the economic actors equipped to compete in the global economy. But it is tempting to push the analogy further: is this a new type of ‘policing pact’ with local states, equivalent to the subcontracting relationship in the management system? Like military bases, direct subsidiaries of the core firm are a thing of the past, but instead the structures would be more informal. The post-September 11th discourse indeed explicitly centres upon building a network, a ‘coalition of coalitions’ (Ibid. p. 309).

No genuine respect for sovereignty of the Southern state is envisaged in this model. There is a strong impression of a power which does not suffer any balances or constraints – witness in another region the unlimited backing of Israel while it tested out various repressive techniques on the Palestinians on behalf of ‘anti-terrorism’. The sentiment that ‘as a superpower, we did not have to worry about offending anybody’ (Cohen, 2000:14) still seems apposite. But this in no way denies that the new period could provide some openings for Southern elites to pursue their own interests. While the North insists on a right to ignore sovereignty when necessary, it would be counter-productive to be drawn into exercising that right too often. The Southern state must still, as a rule, be relied upon for the two main tasks of political/military repression and ‘enabling’ the process of global capital accumulation within the country. African elites are aware of this fact, which gives them some scope for manoeuvring.
In a few cases identified as ‘failed states’ the agenda may be to reconstitute new state machines, and here the beneficiaries may be rebel groups. In Somalia, warlord factions have reportedly hoped ‘to be allies of the USA in the war so as to sweep into power just like the northern alliance forces in Afghanistan.’ (Soke, 2002), and US authorities openly confirmed this expectation when Deputy Defence Secretary Paul Wolfowitz explained that the Central Intelligence Agency is seeking ‘exactly those sorts of people’ in Somalia who can play a role similar to that of the anti-Taliban Afghans (The Nation, 10 January 2002).

Elsewhere, the US may seek to create exemplary cases demonstrating its ability either to engineer a change of government or to use sanctions to impoverish any people which defies the centre’s diktat – the US’s Zimbabwe Democracy and Economic Recovery Act of December 2001 looks in this direction. Arguably, this form of intervention would refurbish a more subtle set of intervention mechanisms premised on pluralism and polyarchy, but this tendency is likely to be undermined by an identification of the ‘failed states’ discourse with selfish power-political interests, as the Zimbabwe case shows: The CIA is widely quoted to believe

that Africa was a haven for profitable terrorist enterprises because of its vast mineral resources, especially in countries torn by war. It was very easy for terrorist organisations to exploit the confusion and corruption endemic in these war-hit African states to buy cheap minerals for resale at huge profits (Financial Gazette, 10 January 2002)

Persistent, presumably leaked, reports argue that the US believes top ZANU PF officials to have links with Al Qaeda and Hizbollah (The Monitor, 19 March 2002). This discourse could well foreshadow a new form of imperialist control over raw materials by monitoring their pricing and distribution. While demonstrating the ability to overthrow governments if necessary, the more general strategy will certainly be to mould the existing governments, and establish some new pact with them. This involves a mixture of economic incentives and ‘anti-terrorist’ collaboration.

The case of Uganda is interesting in observing this interplay of security and governance concerns. After September 11th, the United States added the Ugandan opposition groups Allied Democratic Front (ADF) and Lord’s Resistance Army (LRA) to its ‘Terrorist Exclusion List,’ and Ugandan President Museveni in turn sent to the US government a list of suspects in Uganda allegedly linked to bin Laden (The Monitor, 8 January 2002). This seemed to provide some basis for collaboration around the new anti-terrorist slogans. But around the time of the January 2002 summit of the Intergovernmental Authority on Development (IGAD), the US started working closely on regional governance with Ethiopia, Kenya and Sudan. A publication from a US think-tank, widely reported in the African media, argued that this signified a downgrading of relations with Uganda (The Monitor, 17 January 2002). This looks very much like the USA trying to demonstrate that Uganda’s admission to a central role in the ‘coalition of coalitions’ would be on US terms. It was followed by a Ugandan ‘suppression of terrorism bill’ which attacked in parallel the LRA and al Qaeda (New Vision, 20 March 2002). And at the same time, the Clinton era policy of citing success stories has been revived with Uganda once more in a key role. Uganda was one of the key ‘good examples’ listed in Bush’s new ‘compact for development’ launched in March 2002 (United States, 2002), and was also chosen to host a US-organised regional seminar on the benefits of AGOA. At that meeting, Museveni told his sponsors exactly what they wanted to hear: ‘From the beginning, I knew that the solution to Africa’s backwardness was trade and not aid’, while he was in turn described by the US Assistant Trade Representative for Africa as ‘my hero’. For good
measure, the US ambassador also offered friendly advice on how to adapt to international trade – ‘Compete or perish’ (*New Vision*, 19 March 2002). The mixture of the ‘modernising’ trade discourse with the more specific post-September 11th repressive/interventionist measures thus creates a particular framework in which regional states can seek to manoeuvre.

### Conclusion

Capitalism has survived and developed by adapting itself at various levels. One form of adaptation is at the level of accumulation structures, but an essential condition for accumulation is always the political mechanism of the nation state. The problem then becomes one of managing the system formed by these states. The initial form of this problem, conflictual relations between capitalist powers, could be managed by creating structures to regulate the dependent industrial development of the South. But two fundamental problems remain: first, central accumulation always tends to siphon away the value which could form the basis of state-building, bringing with it the risk of ‘state failure’, leading to direct intervention. Second, the international system becomes increasingly complex, characterised by a range of new actors and processes and direct penetration of local societies in a way which bypasses the state-centric dimension.

US Africa policy is just one part of this general problematic, which would appear in very different forms in different cases. This article has strongly suggested that any hypothetical solution is impossible in practice. The search for a policy ‘idea’ over the past twenty years has been characterised by attempts to wish away the fundamental contradictions. In US policy, the modernising discourse of globalisation and liberalism is particularly unconvincing as a substitute for political governance. The nature of global accumulation means that the material benefit is generally restricted to the already-powerful interests, and in these circumstances there will always be instability and rebellion. A reversion to the deployment of pure power is thus always latent, and the post-September 11th climate has brought it directly to the fore. This is a significant weakness of contemporary international capitalism. Capitalism somehow ‘should’ co-opt actors or processes like regimes, legal norms, or international civil society, but it fails to do so consistently, leaving these tendencies to atrophy, or perhaps even turn into weapons against it.

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There are three major propositions that underpin this article. First that the poorest countries are still incorporated into the global economy in adverse terms, or in a way once described by the dependency and neo-marxist schools as ‘dependent’. Second, that this is not because of neutral, market driven features of globalisation or comparative advantage, but by deliberate and political intervention by people and institutions of the richer countries, moderated by the behaviour of (African and other) political elites. I shall model this interaction institutionally and propose that this serves as a ‘Keynesian global multiplier’ for investors, but provides very limited gains to host countries. Third, that African states have developed their own means of creating markets and state-sponsored means of accumulation, primarily by processes of local content rules, indigenisation and empowerment. These are inevitably subject to contextual questions of legitimacy. The article concludes that the current conceptualisation of government as essentially outside the market prevents us from understanding these emerging institutional structures and economic multipliers; it also disables consideration of the types of redistributive policy that are so essential for socio-economic recovery.

*The man who has donkeys must be on the side of the owner of the hay. There is no virtue in paying your debts when you are rich* (Ousmane, 1972:126).

*Zimbabwe is a country where the inevitable never happens* (British official in Zimbabwe, August 2002).

**Introduction**

There have been two major ways historically of embedding the concept of imperialism; either within dominant and subordinate relations between countries in the inter-state system; or as involving the export of capital from the dominant states and the associated spread of capitalist processes. This illustrates that ideas of imperialism have been characterised around an artificial divide between its political and economic aspects, reflecting classical liberal perceptions of the (nation) state and economy. I illustrate how the economic and political aspects of accumulation are linked in practice by means of state-sponsored institutions and by the liquidity that these provide in the accumulation process. Understanding the movement of capital between different jurisdictions, and the pattern of accumulation that this creates, allows us to return to how African states can better meet the socio-economic needs of their peoples.
In order to illustrate this international political economy of accumulation, I model how the British state institutionally orders the economic relations it has within other societies. The paper then extrapolates to provide a model of what this means on a global scale, presuming that other capital exporting states have similar institutional arrangements. These ‘frontier institutions’ illustrate how markets are made and the inclusion of African states in ‘globalisation’ is structured. The article then moves back to theoretical concerns about the ‘African’ state. This section argues that the private/public dichotomy features strongly in work on the African state, in respect of its ‘incompleteness’, or its undermining by patrimonialism. However, potential government action for socio-economic redistribution has historically required that ‘private’ boundaries of social ownership be changed. The theory of patrimonialism has difficulty in distinguishing between the legitimacy of re-distribution and the illegitimacy of corruption, since it assumes that patrimonialism is an essentialist structural failure of the state. Instead, the ‘problem’ of redistribution would seem to revolve around the legitimacy of method – empowerment, indigenisation, or kleptocracy – and the political negotiations within society which contextualise it. The case of the South African ‘Minerals and Petroleum Resources Development Bill 2002’, and the experience of empowerment companies in South Africa will illustrate some of the problems of legitimacy for state-led re-distribution. The Zimbabwe ‘Land Acquisition Amendment Act No. 6 of 2002’ will then be used as an example of the potential limits of rapid change in property ownership.

Returning to earlier work on the state in general, Polanyi (2001, 1944), Offe (1975) and Foucault (1991) provide us with a wider view of both the opportunities and constraints of state and government behaviour. This work suggests that African states could afford to be more pro-active in their pursuit of socio-economic development, both in terms of costs to state revenue and in terms of political will in the face of detractors from such a project. The key to such a project, I suggest, is the creation and/or expansion of democratically-authored market-making institutions. Only in this way can the limits of current indigenisation programmes be overcome.

State-sponsored Accumulation: the British Case

To summarise briefly the classical liberal position, the nation-state has territorial integrity, sovereignty and legitimacy. Its functions, meanwhile, are to provide a legal system (uphold the rule of law) and guarantee the currency (uphold the rule of money) which together can be seen as setting the terms of market and social interactions. It also taxes citizens in order to provide welfare services and provides a sense of identity and ‘nationhood’ to secure social order, while arbitrating or repressing dispute. From this model, wherein the state is seen as rational and able to carry out these roles, begin analyses that point to the inability of African states in the face of expectation. This normative list of liberal democratic institutional attributes is often juxtaposed with the latter’s non-existence in the Rest, explaining the difference in terms of a number of factors related to the experience of colonialism and late state formation (for example, Moore, 2001; Tornquist, 1999). For example Moore (2001) argues that compared to the states of the rich world, those of the poor tend to be relatively independent, or ‘disconnected’ from their citizens. He then isolates several factors which he sees as causing political underdevelopment. These are ‘unnatural birth’ (of the state); incomplete state formation; histories of external control; declining costs of military superiority (over domestic peoples); international criminal networks and opportunities; unearned state income (in the sense of not requiring an organised tax system); and the politically corrosive effect of donor competition (Moore, 2001).
Similarly, Tornquist observed that the mercantile integration of the political and economic spheres was exported to the colonies, integrated with feudal social structures, and that this symbiosis, ‘still characterises the relation between politics and development in the majority of developing countries today’ (Tornquist, 1999:11).

These theoretical mores are reflected in *leitmotifs* which appear in, particularly, business and journalistic literatures. These can be summarised and represented as themes, or tropes, which have arisen due to theorising using (an inappropriate) ‘history by analogy’ (see below, Mamdani, 1996, and reviewed in Ahluwalia, 2001:72, 98). However, reflecting on these themes it soon becomes obvious that the ideal form is a liberal myth, or a construct definition, whereas the post-colonial model, contained here in the column labelled ‘late state formation’, is more like a list of attributes or characteristics that are the first model’s juxtaposition.

<table>
<thead>
<tr>
<th>Table 1: Political &amp; Market Relations in Classical Liberal &amp; Late State Formations: Impersonal/Public vs. Personal/Private</th>
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<tbody>
<tr>
<td><strong>Classical liberal nation-state</strong></td>
</tr>
<tr>
<td>Meritocratic/skills based</td>
</tr>
<tr>
<td>Entitlement based demands</td>
</tr>
<tr>
<td>Independent community leadership/free associational life</td>
</tr>
<tr>
<td>Votes cast for performance</td>
</tr>
<tr>
<td>Leadership roles defined and achievable</td>
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<tr>
<td>Resource distribution choices owned by community</td>
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<tr>
<td><em>Business Environment</em></td>
</tr>
<tr>
<td>‘Networked’</td>
</tr>
<tr>
<td>What you know</td>
</tr>
<tr>
<td>Open tender</td>
</tr>
<tr>
<td>Level logistics playing field</td>
</tr>
<tr>
<td>Competitive</td>
</tr>
<tr>
<td>Corporate/clientelist</td>
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<tr>
<td>State regulated</td>
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<tr>
<td>Continuous rational accounting</td>
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</tbody>
</table>

The constructed and romanticised nature of the right-hand column is immediately apparent. For example, a serious scholar of European politics would instantly point out that corrupt practice has been part of the institutional development of the EU. Also, while cronyist business networks exist in all societies, in more industrial countries there are more businessmen, so the individual relationship of power and graft is carried out in a larger collectivity and is thus less visible in the public mind. Even so, recent work on northern states has exposed cronyism in government and restricted tendering in public-private resource provision (Hertz, 2001; Monbiot, 2000). Hertz (2001) and Monbiot (2000) argue that the unaccountable core of capitalism has run rife, and that Britain has been subjected to a corporate take-over respectively, thus unhappily recognising that private power resides in public spaces.

The relationship between the corporation and the state has long been more intimate than the binary opposition between public and private suggests. In capitalist society the means of accumulation are mostly privately-owned but the state is dependent upon the profits of accumulation as its means of finance. Thus there exists an
‘institutional self-interest of the state to ensure the vitality of the capitalist economy’ (Held and Krieger, 1983: 488). More particularly, Offe defines the capitalist state:

a) by its exclusion from accumulation; b) by its necessary function for accumulation; c) by its dependence on accumulation, and d) by its function to conceal and deny a, b and c (Offe, 1975 cited in Held and Krieger, 1983:488).

The latter imperative of denial is explained by the state’s need to appear classless and neutral in order to secure widespread approval. This definition can be criticised since it is overly functional, and omits ‘strategic’ government intelligence; that is, the usefulness of not solving problems, suspending decisions and having contradictory policies (Held and Krieger, 1983:491). The definition also presupposes that a government can always successfully carry out certain tasks. As Holloway and Picciotto argue:

in so far as the state is derived from the need to fulfil a function which cannot be fulfilled by private capital, the state’s ability to perform this function is already presupposed (1978:21).

Hirsch also reminds us that the state is ‘the expression of a specific historical form of class rule and not simply … the bearer of particular functions’ (1978:63).

With these caveats in mind, however, it is clear that – contrary to liberal claims – mutual reliance and institutional meshing of private ownership and state activities is fundamental to capitalist societies.

Modelling the African State

Most contemporary accounts of the African state and the afro-pessimism of current literature refer to the same public private divide as if it were incomplete, mired, or tampered with by the ruling elites. The patrimonialism and corruption of African polities is often seen as embedded in the inability of African state personnel to break away from personal relationships in society, or to state regulators’ inability to leave the ‘free’ market to its own autonomous regulation. There is a continuous reference to the ideal-form of divide between the public and the private of the European liberal state, never mind that this itself is an imagined one.

Many of the aspects of late state formations here are seen as derivative of patrimonial politics, which itself is seen to arise from a failure of the public realm to escape the private. While one-party states in Africa drifted to authoritarianism, and African socialism deteriorated to authoritarian populism, Africanists began to write of the existence of a patrimonial state (Boyle, 1988; Callaghy, 1984, 1987; Sandbrook, 1985). Mamdani argues that this form of state produced ‘a tendency toward corruption among those within the system and toward exit among those marginal to it’ (1996a:11, cited in Ahluwalia, 2001:60). In a typical formulation Bratton and van de Walle argued that:

the distinctive institutional hallmark of African regimes is neopatrimonialism. In neopatrimonial regimes, the chief executive maintains authority through personal patronage, rather than through ideology or law … relationships of loyalty and dependence pervade a formal political and administrative system and leaders occupy bureaucratic offices less to perform public service than to acquire personal wealth and status. The distinction between private and public interests is purposely blurred … personal relationships … constitute the foundation and superstructure of political institutions. The

Similarly, Chabal and Daloz assert, in relation to their ‘disorder as political instrument’ thesis, that:

the defining characteristics are the failure of an independent bureaucracy to emerge and the continuance of patrimonialism, which does not allow for a separation of the public and private sphere (1999:6).

This leads Ahluwalia to surmise that despite these Africanists rhetoric of specificity, their analysis is ‘bedevilled by Eurocentrism’ (Ahluwalia, 2001:64).

Theorising African states in terms of patrimonialism has undoubtedly produced insights about state class formation and the structural risk of corruption. However, the theory is insufficient in an important respect: its failure to analyse redistributive economic exchange outside an assumed framework of illegitimacy. Consider, for example, Mamdani, who argues in relation to the post-independence literature on corruption, that it tends to:

detach the two moments [of Africanisation] and thereby to isolate and decontextualise the moment of redistribution (corruption) from that of expropriation (redress) through ahistorical analogies that describe it as the politics of patrimonialism, prebendalism, and so on. The effect has been to caricature the practices under investigation and to make them unintelligible (1996:20).

Redistribution of wealth in sub-Saharan Africa has been restricted by ideas of the inalienable nature of private property and fears of financial collapse if government attempt to change property ‘rights’. There are also clear examples of patrimonialism where corrupt practise and self-aggrandisement is legitimised by a rhetoric of redistribution. My point is a minor one, which is that each instance of redistribution is specific to the context in which legitimacy is negotiated, not the ‘given’ disfunction that theories of patrimonialism seem to imply.

Writers such as Foucault have also pointed out that there are different ways of looking at the way a government behaves which avoid the public-private divide altogether (see also Dean, 1999). These may be helpful in examining state-sponsored redistribution. For Foucault, governmentality, is a:

question not of imposing law on men, but of disposing things: that is to say, of employing tactics rather than laws, and even of using laws themselves as tactics to arrange things in such a way that, through a certain number of means, such and such ends may be achieved (Foucault, 1991; cited in Scott 1995:202; cited in Ahluwalia 2001:69).

Governmentality, then, contained a much wider terrain of possible public intervention, or government by whim and fiat. The response of the Government of Zimbabwe when some of its eviction notices under the Land Acquisition Act were deemed unconstitutional by the High Court on 7 August – the ‘Kockett Ruling’ (see below) – was to pass another amendment to the legislation. The point here is that purposive government can and does override law and property rights in a situation of ideological conflict and rule by fiat.
Regulating Accumulation in Shifting Rights Regimes

Palan recently noted that ‘Geographers distinguish between the concept of boundary and frontier: boundaries are lines, frontiers are zones’ (2000:1), and that, citing Kristof, a frontier is outer-oriented. Its main attention is directed toward the outlying areas which are both a source of danger and a coveted prize … The boundary, on the contrary, is inner-oriented. It is created and maintained by the will of the central government. It has no life of its own, not even material existence (1969:126-128).

This is a useful distinction and metaphor through which to explore the nature of the state and its global positioning. The inner boundary could be likened to the formal geographical and physical space associated with formal sovereignty. The balance of payments as an economic measure, as well as GDP and GNP, are calculated with this inner boundary in mind. It refers to the ‘edge’ of the domestic state. Meanwhile, the frontier, the outward orientation of a state, could consist of its explorations and experiments in the global economy and inter-state system: the no-man’s land of what we term ‘the international’. The outer frontier zone, as a metaphor, helps to capture two aspects of the way an economically rich state, like the UK, sponsors accumulation beyond its inner boundary. First, in terms of its exalted representational rights in the global governance structure, such as the World Bank, IMF and WTO, where it can vote for policy advantageous to richer states. Second, the ‘frontier zone’ represents something like an extended area of influence, not geographically in the sense of colonies, but relationally and reflectively as representing its sphere of power, and the power of the companies associated with the state.

The first of these can be measured by more formal mechanisms of political representation, as is done by Weir et al. (2002) in their recent democratic audit of the UK. The second of these can best be expressed in terms of political economy, and by reference to those institutions that regulate and provide for economic activity within the frontier. This will provide an illustration of the political sponsorship of capital export. This distinction is made between formal representation, for example at the UN, or IMF, and spatial representation in the ‘frontier’, not to reintroduce the problematic dualism of the public and private, but to reintroduce the political economy of inter-state relations.

Modelling Accumulation from the North

As early as 1902, J.A. Hobson, in a comprehensive study of imperialism stated that:

It is not too much to say that the modern foreign policy of Great Britain has been primarily a struggle for profitable markets of investment. To a larger extent every year Great Britain has been becoming a nation living upon tribute from abroad, and the classes who enjoy this tribute have had an ever-increasing incentive to employ the public policy, the public purse, and the public force to extend the field of their private investments, and to safeguard and improve their existing investments. This is, perhaps, the most important fact in modern politics, and the obscurity in which it is wrapped has constituted the gravest danger to our State (1902:53-54).

This statement has a surprising resonance with development and foreign policy concerns today, in terms of the predominance of ‘competition’ and ‘market liberalisation’ of the Washington Consensus and globalisation discourses. To achieve competitiveness requires much support from the public purse and the modern state.
Similarly, early Marxist theories of imperialism stressed the role of capital export as the catalyst which helped form inequalities of state power, expanded markets and the social relations which accompany the market form of social organisation. ‘Capital export’, here is a shorthand, meaning investment monies which were moved by people and institutions in order to place them in profit earning ventures abroad. Many organisations of the modern state, including parts of the development departments do this today.

However, instead of ‘capital export’, I want to use the term ‘liquidity’, since in a modern sense this applies to working value, or that part of the financial stock of assets, liabilities, and holdings which can be instantly ‘used’ in accumulation. To clarify, liquidity involves stores of money, or in a Marxian sense, ‘value’, which we have different names for depending on the context and country of the discussant. When people speak of ‘financial capital’, or ‘development finance’, or ‘aid’, or even ‘commercial credit’, the impression of distinct categories of liquidity is created, whereas the terms are changeable depending on the cultural and racial context. However, for the purposes of analysis, aid, development finance, and commercial credit are all forms of liquidity or available money: they are just differently priced. The word we use in a particular context relies on how much the price is, who is doing the lending and borrowing and where in the world are they doing it. Thus, as a hypothetical example, if the Malawi government borrows money from the World Bank at five per cent interest over 20 years it is called ‘aid’ or ‘development finance’, whereas if the British government borrows money from a Cayman Island offshore bank at, maybe six per cent, it would be called commercial bond borrowing.

The idea that aid is a ‘concessional’ form of distributing money is based in regulations defined by the lenders. ‘Aid’ can be just as expensive as commercial borrowing, but is defined as aid because the lender views their own structure as imparting features of ‘added value’.1 In turn, these differences of terms become embedded in a governing language which defines the modern equivalents of the categories ‘deserving’ and ‘undeserving’ poor. Those twenty-six countries which have qualified for exceptional debt relief under the ‘enhanced’ Heavily Indebted Poor Countries (HIPC) Initiative, of which six have made ‘Completion Point’, are those judged most deserving of the most concessional funding, which represents enhanced liquidity (DFID, 2002).2 Thus, who is allowed money, and on what terms, is a central technology of global governance, and it is mediated from institutional networks.

These decisions on allowable liquidity, and by extension the decision on who will by left in ‘durable’ poverty without assistance, emanate from each of the richest countries. There are webs of related financial institutions, wholly owned or underwritten, authorised or legally sanctioned by modern Western states, and there are also the ‘joint venture’ equivalents. The institutions regulating liquidity are of three main types:

- *Export credit agencies* (ECAs), which help domestic companies trade by lending them money;
- *Development finance institutions* (DFIs) which, broadly, lend companies money to buy factories and facilities abroad, most often in the context of southern countries;
- And then jointly held *international financial institutions* (IFIs) which are majority owned by a collection of rich states.
These institutions are not part of the nation state’s formally constituted domestic structure and have little domestic accountability (see Bracking 1999:219). In the British case the Commonwealth Development Corporation (CDC) is the liquidity manager for investments in equity and loan finance to other finance houses and large firms – the UK bilateral development finance institution. The Export Credit Guarantee Department (ECGD) is the liquidity manager for cross-border trading and investment transactions, charging an insurance premium against the risk of loss, while the Department for International Development provides some funds concessionally.

In summary, the money which flows through the tributaries and arteries of firms, governments, households and banks moves through finance institutions who act as gatekeepers of liquidity. Metaphorically, the whole system can be imagined as a tidal marsh area, regulated by Dutch-style water management: windmills, sluice gates, dykes and sinks. Those countries at the edge of the marsh, away from the central routes for liquidity are most likely to lose access to money as the tide goes out or when recession hits the global economy. They are also subject to the whims of those that control the distribution system; that is, the gate-keepers who open or shut the sluice gates!

Figure 1 is intended as a graphical representation of which institutions operate in the UK ‘frontier zone’, and how these relate to other frontier institutions from other states,
both collectively in the ‘international’ and in groupings of similar organisations. The square of the ‘accounting boundary’ is where formal domestic financial liability ends in balance of payments accounts. Some organisations, such as the CDC and Crown Agents cross this line and exist beyond the sovereign territory. Beyond the ellipse, which represents the frontier zone, are the international organisations around its edge, in which the UK has influence. The clustering of the World Bank group at the bottom of the ellipse shows the interrelationship between these organisations and also the European ECAs to the left (which could be generated from multiple similar diagrams).

**Extrapolating to a ‘Global Keynesian Multiplier’**

Thus, the export of investment capital continues, and is increasingly a collective endeavour for the richest states. These relationships are depicted in the flow diagram (Figure 2), which shows how liquidity underwritten from the richer states circulates in a system of ‘arms-length’ regulation of development finance which shapes the politically possible in borrowing countries. I call this the global Keynesian multiplier, because the liquidity is fed into these institutional markets for investment and then emerges with enhanced value, that is, it has multiplied in the sense that Keynes described (Keynes, 1997). While this label may seem ironic in an intellectual and policy landscape dominated by neo-liberalism, this illustrates the invisibility which institutions of the frontier have operated within.

The process begins at the top left of the diagram where rich countries’ central banks underwrite the liquidity to be exported, either bilaterally or by means of holding Special Drawing Rights (SDRs) as collateral for their contributions to IFIs. This liquidity is then placed under the jurisdiction of the DFIIs, ECAs, IFIs and development ministries; who on-lend it to poorer states as loans. These governments accept the liability as sovereign debt. However, a large proportion of the money transfers to multinational companies and other institutions in the North (universities, consultants, NGOs) who spend the money on behalf of the ‘development effort’. The arrow illustrates this ‘bypass’. The profits, intellectual property license fees, wages and other benefits are then mostly re-exported back to the Northern states. In its most unequal manifestation, the people whose state accepted the liability might find it difficult to accept that any ‘development’ has occurred, although they will be expected to pay back the loan.

Thus, the development finance complex creates its own particular returns in that the majority of aid monies are on loan to multinational corporations of the countries who own the development banks. Not only that, but countries tend to place their multinational funding in agencies where they expect...
their companies to receive the most derivative contracts as a result of their contributions. ‘Derivative contracts’ are those which the institutions generate, in procurement, business, consultancy, construction, when the development finance is spent. While data is scarce, some available for 1990-2 showed that the US enjoyed 14.4 per cent of all derivative procurement business arising from the expenditures of the World Bank, leading the ranking of recipients. Japan, likewise, leads funding of the Asian Development Bank (ADB), but also enjoys 33.5 per cent of the derivative benefit, with the US second at 30.6 per cent. Taken as a whole, just five core creditor states, the UK, US, Japan, Germany and France account for a massive 96.8 per cent of all derivative contract business of the ADB, while with the addition of Italy, they also account for 96.5 per cent of business from the Inter-American Development Bank (Bracking, 1999:220).

Data for 1991-1992 also showed that from the combined expenditure of the World Bank, African Development Bank, European Development Funds V and VI, the Inter-American Development Bank and Asian Development Bank, Britain obtained £190.1 million in derivative business in ‘works’ contracts; £1,118.2 million in ‘supplies and equipment’ contracts, £333.7 million in ‘consultancy and technical assistance’, which totals to £1,763 million for all contracts (Bracking, 1997:307). In general the figures show that derivative business tends to reflect the value of the country’s bilateral contribution to the bank, and also its domestic sectoral economic strengths. For example, in 1992 the UK was receiving the highest share of derivative procurement contracts in consultancy from the World Bank of any other country, while in the ADB the UK was ranked second for consultancy business, and first for technical assistance contracts. In aggregate, the United Kingdom holds about 7.5 per cent of business funded by the multilateral agencies, behind the United States, Japan and Germany (Bracking, 1997:307).

This high concentration of derivative business which the core states enjoy is due to their technical, spatial and financing advantages relative to poorer countries. Regulations in the OECD (DAC) ensure controlled competition among members. These advantages, while legitimated through the language of efficient business, are also upheld in general for core states as a group relative to companies from poorer countries, by the procedures of the multilaterals themselves. For example, consultancy contracts derivative of aid projects funded by the EDF were distributed to short-listed, registered companies via a complex qualification procedure (World Aid Section, 1991). Arguments that only large companies will qualify occur repeatedly, since size is seen to relate to efficiency. This obviously benefits established companies from core states in the attraction of derivative business generally. The use of open tendering is not practised as a general principle by multilateral organisations.

The bilateral British position in terms of the DFID aid budget is similar. In 1997-98, only £5.4 million of a total of £235 million of contracts (two per cent) were let locally (International Development Committee (IDC), 1999, para 26) The International Development Committee argued that DFID should aim to let a greater proportion of contracts locally. In July 2000, they asserted again that:

\textit{one solution to the problem of achieving sustainable outcomes through consultants is to increase the hiring of contractors from developing countries themselves. This can contribute to development in itself} (International Development Committee, 2000:xxx).

The main barrier to increasing contracts let to consultants in African states are the Aid Tying Rules, also known as the ‘Buy British Rules’, which are set by the DTI, which
stipulate that contracts must be let to either consultants in the UK or in the recipient country. DFID has recently negotiated to allow contracts to be let to other countries in the same region. Actionaid had questioned the legality under EC law of DFID’s eligibility criteria that specify that consultants must be based in the UK to become a resource centre or to be included on the Consultants’ Index (Ibid.). The European Commission is investigating the aid-tying rules in all Member States, while the OECD DAC committee sat to decide on whether to have an aid untying agreement or not. Following the Okinawa summit of the G8 countries, a communiqué resolved to untie aid to the least developed countries from January 2002, although this remains to be formalised at the OECD. Meanwhile, the DFID Departmental Report 2000 summarises that of a total of 2286 contracts let in 1998-99, 573 – amounting to £14.21m (6 per cent) were let locally, with some higher proportions in targeted countries (IDC, 2000:xxxii).

While data on the contribution of liquidity from the ECAs collectively is also scarce, there are some calculations of its contribution to the global Keynesian multiplier. Overall, the ECAs together have been fiercely negotiating their competition/cooperation regime in a period of growth. According to the International ECA Reform Campaign.

_While lending from multilateral finance institutions, such as the World Bank, has remained relatively stable, export credit agencies (ECAs) increased their new commitments from about $26bn in 1988 to $105bn eight years later. At the same time the ECAs’ share of developing country debt has been mounting. In 1996 they held almost one-fourth of the debt and 56 per cent of developing country official debt (Eca-Watch, 2001a)._  

Thus, the Reform Campaign asserts that while the WTO and World Bank have become increasingly visible, these more secretive organisations ‘have as big, if not bigger, impacts on the process of globalisation’. This assertion can be validated statistically, since ECAs are:

_now the world’s biggest class of public IFIs, collectively exceeding in size the World Bank Group. Yet, like the World Bank Group 20 years ago, most ECAs have no social and environmental standards (Eca-Watch, 2001b)_

In summary, the core states have their ‘snouts in the trough’ of the international development banks’ derivative business. The accumulation that this ‘multiplier’ sets in process is underwritten by northern states, the liability accepted by the southern states, and the liquidity distributed by the institutions as outlined above. This process has a remarkable similarity to Chomsky’s characterisation of capitalism, whose core he defined as the ‘socialisation of cost; privatisation of profit’ (1993). The borrowing state assists in policing the socialisation of the costs of accumulation. It can, at best, attempt to catch some of the benefits by stipulating that contracts have an indigenous joint partner, as Zimbabwe attempted to do under ESAP, and by ensuring that the ‘project’ that is left behind is of developmental value.

The metropolitan states, meanwhile, have been at the centre of the process of internationalisation and privatisation of development finance but still retain strategic powers and functions. However, their responsibility and accountability to equity and social welfare has been effectively dislocated in the public mind from wider economic processes. In effect, the global economy is now depicted as a private reality outside of the sphere of state intervention, while aid has regressed to a charitable function of the private sector or to the singular authority of DFID and its other country equivalents.
This obscures the relationships of inter-state power and the mediation and intervention of pseudo private finance institutions in the lives of the poor. However, the multiplier, with all its inequitable pattern of beneficiaries, can be withdrawn altogether and this leads to illiquidity and its associated problems. For example, Table 2 illustrates how little ECGD cover is available to African states, where ‘refer’ means that each deal will have to be negotiated separately with an official, and the absence of a whole list of countries – including, perhaps unsurprisingly, Zimbabwe – means their ineligibility.

Similarly, a summary of the CDC’s investments in Africa since February 1999, shows that of 14 total new commitments (excluding one exit), six were in South Africa, two in Ghana, two pan-African, and one project each for Zambia, Kenya, Uganda and Tanzania (CDC Capital Partners, 2002). All of these projects involve large investors and projects and, cursorily judged, many seem a good idea. For example, in Tanzania, with AES, the World Bank and European Investment Bank, the CDC is funding a project to shift Tanzania’s power supply from expensive imports of oil to indigenous cheaper natural gas. Such a project in Zimbabwe would prevent problematic and arguably expensive, asset and resource swaps with Libya for petrol and oil. Also, there is potential for the CDC to aid in the process of economic redistribution. One of the South African funds is to an

<table>
<thead>
<tr>
<th>Market</th>
<th>Premium (%)</th>
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<tbody>
<tr>
<td>Algeria</td>
<td>1.41</td>
</tr>
<tr>
<td>Benin</td>
<td>Refer</td>
</tr>
<tr>
<td>Botswana</td>
<td>0.7</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>Refer</td>
</tr>
<tr>
<td>Cameroon</td>
<td>Refer</td>
</tr>
<tr>
<td>Egypt</td>
<td>1.1</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Refer</td>
</tr>
<tr>
<td>Ghana</td>
<td>1.8</td>
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<tr>
<td>Guinea</td>
<td>Refer</td>
</tr>
<tr>
<td>Kenya</td>
<td>Refer</td>
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<tr>
<td>Lesotho</td>
<td>0.7</td>
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<tr>
<td>Madagascar</td>
<td>Refer</td>
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<tr>
<td>Mali</td>
<td>Refer</td>
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<tr>
<td>Morocco</td>
<td>1.32</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2.17</td>
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<tr>
<td>Namibia</td>
<td>0.7</td>
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<tr>
<td>Niger</td>
<td>Refer</td>
</tr>
<tr>
<td>Senegal</td>
<td>1.38</td>
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<tr>
<td>South Africa</td>
<td>0.7</td>
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<tr>
<td>Swaziland</td>
<td>0.7</td>
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<tr>
<td>Tanzania</td>
<td>2.5</td>
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<tr>
<td>Togo</td>
<td>Refer</td>
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<tr>
<td>Tunisia</td>
<td>0.7</td>
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<tr>
<td>Uganda</td>
<td>2.5</td>
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<tr>
<td>Zambia</td>
<td>Refer</td>
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**Modelling Accumulation in the South**

The above illustrates that the divide between private property relations, and the sphere of public policy and governance in industrialised states bear little resemblance to the mutual exclusivity apparent in the literature. Instead, the relationship between public and private spaces in a society is complex, dialectical and shifting with the particular regime of state power. In fact, in times of rapid change, whether ushered in by economic crisis, the rise of a developmental state, or as a consequence of
radical reform or revolutionary periods, it is not unusual or unlikely that public/private boundaries will change dramatically. In periods of relative social stability, the boundary, or frontier of private ownership becomes accepted, adhered to and hegemonic. In this period the boundary is set in law as ‘property rights’ and ‘human rights’. However, radical social change of a redistributive nature will inevitably disrupt previously hegemonic understandings of ownership relations. In respect of southern states then, whose societies are undergoing rapid change as a consequence of shocks, slumps and interventions from external environments, we can expect that government institutions could play as important a role in economic change.

**Indigenisation Processes**

In the context of poverty, inequality and post-colonial social relationships there have been a wave of policy programmes designed to change the boundaries of property rights. There is a long history of redistributive reform attempts in sub-Saharan Africa, beginning with Africanisation during and after Independence, and now revisited through widespread empowerment and indigenisation programmes. These promise, and sometimes deliver, the benefit of helping ‘indigenous’ business people gain initial working capital, list capital ventures and access finance in the name of economic progress and growth. However, they are also subject to graft, cronyism, and elite replacement with little economic benefit to the masses. In the Zimbabwean case, mass redistribution has led the finance sector and government to an impasse, resulting in an economic crisis of tragic proportion.

African state classes have, in the main, been suspicious of the autonomous power of a private business class, particularly when this is associated with an opposition grouping (Tangri, 1999:93-99; Herbst, 1990). At the same time, certain ‘safe’ private entrepreneurs can significantly benefit from government policy. Tangri argues that during the 1990s, ‘state-business relations have … been subject to continuing political influence and control’ (1999:92). He argues that:

> Collusion between political regimes and select capitalists has been very common … (and) those in control of the state have used it partly to promote their own opportunities for profit and partly to consolidate their political support by apportioning benefits to politically favoured groups and interests (1999:97-98).

He cites *Africa Report* in respect of Zimbabwe, to the effect that:

> the indigenisation of the construction industry meant that contracts had gone to those with the best relations to the ruling party, not those that were best qualified (Tangri, 1999:98, citing *Africa Report* 1995:30).

The now legendary debacle of Strive Masiyiwa’s four-year effort, from 1993 to 1998, to persuade the government of Zimbabwe to license his cellular telephone network illustrates a number of general points concerning the problems of indigenisation. Firstly, that the law is a slow or inept protector of ‘private’ business when this is autonomous of, and/or threatening to the ruling elite. The Supreme Court ruled in Masiyiwa’s favour four times, and even then he was obliged to go to the High Court. He first challenged the Posts and Telecommunications Corporation’s (PTC) monopoly on cellular provision, particularly since they had no intention of introducing a cellular service, and won. The Court argued that the PTC breached freedom of expression by providing such a poor service. There followed a presidential decree that threatened anyone operating a cellular licence with two years in prison. The
Supreme Court, almost a year later, ordered the government to license a cellular company, eventually granted to Telecell Zimbabwe, a company whose shareholders include a nephew of President Robert Mugabe, and whose other directors included a former army commander and a batch of ruling party officials. It is alleged that the government went further in attempting to order Ericsson, the company providing Masiyiwa’s equipment to reclaim it and resell it to Telecell (Business Times, 1998, see also Tangri, 1999:99). Raftopoulos summarised that the governing elite was ‘clearly not prepared to tolerate such attempts to develop autonomous power bases in the private sector’. It was ‘opposed to the emergence of an African business class, autonomous of the state’. It ‘feared that such a class would be less reliant on the politics of patronage and would therefore be less easy to control’ (Raftopoulous, 1996:3-4, cited in Tangri, 1999:99). In South Africa the need to redistribute wealth is paramount to reducing the poverty faced by the masses, where, using a poverty line of R352 per month, ‘61 per cent of Africans are poor, 38 per cent of coloureds, 5 per cent of Indians, and 1 per cent of whites’ (Aliber, 2001:9, citing May et al. 2000). From 1996 to 2000, formal sector job loss reached more than 800 000, there was a net outflow of investment, and in 2000 growth reached a four-year high even while formal sector job losses accelerated, the scenario of ‘jobless growth’ (Aliber, 2001:8-9). With growth not showing a capacity to reduce poverty – as it has in Uganda (Okidi and Mugambe, 2002:12-13) – redistribution presents itself as singularly important. There is much to be redistributed, with extreme historical levels of inequality in resource distribution. Minerals and energy department spokesman Kanyo Gqulu summarises that,

63 per cent of the SA’s platinum resources are in the hands of one firm, 83 per cent of the manganese resources in the hands of two, 51 per cent of gold resources in the hands of two, and more than 95 per cent of the diamond industry is in the hands of one firm (Business Day, 2002a).

However, redistribution of productive assets since 1994 has been ‘very limited’, with, for example, only 0.6 per cent of the country’s agricultural land having been redistributed following the 1995 Land Reform Pilot Programme, benefiting just 60,000 black households (Aliber, 2001:10, 50).

There have also been a number of high profile scandals in South Africa concerning empowerment companies and indigenisation, particularly in the mining and forestry sectors. For example, Mzi Khumalo disposed of the bulk of 11 million Harmony shares (a mining company) in breach of an agreement between Harmony and empowerment partner Simane Security Investments, for whom the shares were originally meant. In this case, shares issued at R37.86 in September 2001 reached R164 by July 2002, despite the fact that they were not supposed to be traded. They were thus diluted, or otherwise lost, to the empowerment stakeholders, who also included Ya Rone Investments (Business Report, 2002). ‘Lockout clauses’ are being introduced by the new Minerals Act 2002 to stop empowered owners from selling back to white investors at a profit.

Cronyism and corruption were also significant features in the sale of forestry assets in Mpumalanga and Limpopo to Zama Resources Corporation in a R335 million privatisation deal. This led to the suspension of the Public Service Commission’s Chief executive Andile Nkuhlu for allegedly receiving a facilitation payment of R55,000 from Zama (Mail and Guardian, 2002a). Also, it was disclosed that the presidential economic advisor Professor Wiseman Nkuhlu, his uncle, held shares in the Midlands Economic Equity Group, a shareholder of Zama (Mail and Guardian, 2002b). A copy of the share register obtained by the Mail and Guardian initially
indicated Nkuhlu (senior) held five million shares in Zama itself, but this was refuted by the acting CEO of Zama, Mlungisi Kwini, (his predecessor Mcebisi Mlonzi was suspended for authorising the payment to Nkuhlu Jr.), as an ‘administrative error’ (Ibid).

State-sponsored Growth: its Powerful Detractors

However, putting aside these and other instances where graft and cronyism have obviously militated against wider redistribution, some legislative successes have occurred. The South African government has arguably negotiated quite an achievement with the Minerals and Petroleum Development Act of June 2002, and its current successor, the Minerals and Petroleum Resources Development Bill (due to pass in December 2002). According to ANC Today:

*South Africa’s first Mining Empowerment Charter, adopted this week by Cabinet following agreement among a range of stakeholders, captures the spirit in which the entire transformation of South Africa’s economy needs to take place.*

Specific commitments are for 26 per cent of the mining industry to be owned by ‘historically-disadvantaged South Africans within 10 years’. The mining industry also ‘agreed to raise R100 billion within the first 5-years to assist black companies in securing finance to acquire stakes in the industry’. There are also a flotilla of other measures to advance the social wage in terms of housing, learnerships, literacy, locally affected peoples, and commitments that within five years 40 per cent of ‘historically-disadvantaged people’ will be in management, and 10 per cent of those participating in the industry will be women (*ANC Today*, 2002).

However, perennial warnings abound from the financial sector over the costs of empowerment (see below). Neva Makgetla, economist for the Congress of South African Trade Unions, writes in *Business Day* that business in South Africa is reluctant to co-operate with redistribution initiatives. He claims that despite a recognition that mass unemployment, poverty and inequality affect long-term growth, business still resists vigorous measures of redress, instead preferring ‘trickle down’ theories. Meanwhile, only 10 per cent of the population claims 45 per cent of the national income, while the unemployment rate has risen from 16 per cent to about 28 per cent since 1994. The Chamber of Mines’ reaction to the Act

*exemplifies the problem. It illustrates an aversion to measures designed to bring about broader access to productive resources* (*Business Day*, 2002b).

Makgetla continues that South African business lacks the commitment to redistribution necessary for poverty-reducing growth, and consistently opposes any programme to give the majority greater access to productive assets. For example, the Minerals Act ‘does not expropriate any property or close any mines. It just provides a mechanism to allocate mining rights in line with national developmental needs’, yet ‘most business representatives reiterate *ad nauseam* that growth requires static property rights’.

Meanwhile, many large companies in mining and finance are listing overseas (*Business Day*, 2002b). There is much evidence that companies are cutting back on investment in the face of empowerment measures. For example, a multi-billion rand investment project to extend the De Beers-owned Cullinan mine near Pretoria was stalled in July 2002, due to the company’s perception of risk, since the Mineral Act transfers all mineral rights to the state (*Business Day*, 2002c).
Thus, there is a more fundamental problem for these programmes, other than corrupt practice. A more systemic problem is the generalised refusal of financiers and the ruling economic class to pay for, participate in, or otherwise endorse this form of redistributive politics. The situation in countries undertaking empowerment is characterised by ongoing negotiation between the state and financial sector. In South Africa this negotiation is tense, with dire warnings of social collapse, or financial meltdown regularly issued from each side respectively.

In Zimbabwe, however, redistribution has many faces including theft and violence, and since negotiations between capital-owners and government have collapsed – as fiat rule on the part of the latter has increased – a generalised financial crisis has ensued. In this crisis, the banking sector has a contradictory role. On the one hand profitability in real estate is high as residents, and non-residents, seek protection from monetary inflation and/or an opportunity to speculate. On the other hand, the sector is owed some Zim$80 billion in loans and overdrafts made to the (white) commercial farming sector, which are likely to be left outstanding since the government fails to compensate the farmers (*Financial Gazette*, 2000c).

In this situation of already high domestic debt, the banks ask the government where the money for buying the stock set aside for indigenous business people, or future commercial farmers will come from. They are reluctant to lend independently to new business people and farmers, since few have collateral, which in itself aggravates the problem of a few well-connected people being able to monopolise opportunities. The stock is inevitably costed by the banks at its market valorisation, and the government charged with finding the money, which they must then borrow from the banking system who also own the stock. In a sense the government is borrowing from the bank to pay back the bank, but transferring ‘ownership’ to indigenous hands. To escape this conundrum requires: either that the companies see the error of their ways and mark down the stock; the government source money outside the country (if they can); the government encourages the development of indigenous mutual funds; or the companies are taxed until the value of stock depreciates, and can be bought cheaply. Most of these strategies are in evidence.

**A Crisis of State-sponsored Accumulation in Zimbabwe?**

The issue of redistributing land in Zimbabwe has, since 1980, been characterised by this problem of valorisation and payment, but since 2000 this problem has been infused with state violence. For example, the stay of execution won by the white commercial farmers on 7 August was based on a High Court ruling that a mortgaged or bonded farm couldn’t be acquired if the state had not properly informed the financial institution involved. The government, in a rapidly passed new Amendment in September, voided this ruling. By October legal issues were, in any case, secondary to fiat rule as about 1,200 farmers had been forced off the land, irrespective of whether or not they had received government eviction notices (*IRIN*, 2002). However, the banks still have the property title deeds in many cases, which were lodged as collateral against mortgages on many of the farms. While this doesn’t appear as an immediate disincentive for the Government to continue evictions, the government is still requiring that the private banking sector lend it substantial amounts of money, while the debt overhang of acquisition remains unpaid; the banks are refusing.

This stand-off can be explained theoretically. In the role of providing the basis for accumulation, the two central modes of state intervention are concerned with
guaranteeing the ‘rule of law’ and the ‘rule of money’, in terms of guaranteeing the currency (Clarke, 1978:65). Clarke, drawing on Marx’s work in *Grundrisse* thus argues that it is ‘in the form of a monetary crisis that an economic crisis makes itself felt at the level of the state’ (Clarke, 1978:66). In the Zimbabwean case, high inflation – reaching 140 per cent in October 2002 (Financial Gazette, 2002), informal devaluation of the currency, and the creation of a parallel market are evidence of the current monetary crisis. The currency crisis, in turn, is related to a collapse of the ‘rule of law’ as secure property titling has disappeared in some sectors.

In the general case, and without successful government intervention, inflationary financing leads to the costs of crisis being born by the poorest. Brittan provides an account of government-sponsored demand, through monetary expansion, which asserts that it can provide a short-term boost to output and employment, which is a tempting outcome for vote-seeking politicians. However, the long-term result of this form of inflationary finance is evinced in the tendency for the Phillips curve to drift upward, and thus the trade-off between unemployment and inflation to occur at higher associated levels of both phenomena (Brittan, 1987:170). He concludes that whilst inflation may have enabled governments to postpone a resolution of interest group rivalries, which become disguised as a wage-price spiral, monetary expansion to create long-term growth has proved a failure (Brittan, 1987:185, see also Skidelsky, 1979). Thus, state sponsored monetary expansion has its limits in generalised economic crisis, associated with high inflation and retrenchment.

However, the decision suspension in terms of monetary policy that Brittan refers to is an important governance policy in the Zimbabwe case, even if it has occurred by default of a more orthodox monetary regime. It creates beneficiaries and victims. Arguably, the political elite and the small but growing number of internationally connected richer Zimbabweans are the primary users and beneficiaries of the parallel market in forex, explaining the government’s inability or unwillingness to regulate it. The official exchange rate, for example for the pound sterling is £1 to Zimbabwe $88, whereas the parallel market hovers at £1 to Zimbabwe $1,200 to 1,400. For the US$, figures were Zim$55 to $1 officially, and Zim$800 to 1,000 unofficially (Financial Gazette, as of 17 October 2002). So those who can import forex can expect to live in some luxury relative to those with access only to local currency. They are also cushioned from some of the effects of hyper-inflation. The professional classes have also responded to crisis by swelling the diaspora, and make remarkable efforts to help family members who remain. Zimbabweans abroad now repatriate at least 20 million pounds per month. However, ironically and tragically, efforts to help individuals and families in this way result in the wider impoverishment of the mass of the people by fuelling inflation and raising asset prices (Financial Gazette, 17 October 2002). The rural and urban poor fail to access food at inflationary prices and rely on government-fixed pricing schemes for staples. However, this access has also largely failed as companies, such as bakers, millers, and seed companies, will not, or cannot produce at the fixed prices.

Meanwhile, exporters of goods have great difficulty remaining in business as their earnings of forex are translated into Zimbabwe dollars by the Reserve Bank, representing only a fraction of the true value of the exported goods or of the costs of production. As a result, an official at the *Zimbabwe Investment Centre* commented that an estimated 90 per cent of businesses with an import export component resorted to parallel monetary trading and/or transfer pricing with subsidiaries for survival (interview, August 2002). Hoarding of goods by companies, downsizing, temporary
closure and retrenchment are common across the domestic agricultural and consumer goods industries, with about 100 firms closing in 2001 (Confederation of Zimbabwean Industry (CZI) 2002, cited in Financial Gazette, 2002c).

The retrenchments and company closures are often attributed to the foreign currency crisis. However, ‘official’ bankruptcy should not be confused with necessary crisis. Instead, holders of forex are often unwilling to store it in their own Reserve Bank in order to avoid (self-imposed) punitive monetary policies. Also, in this chaotic economic environment, access to government is paramount to improving a firm or sector’s trading and monetary environment. Some sectors have successfully lobbied government for special concessionary exchange rates, such that now a highly confusing and administratively complex system of differential, some would say arbitrary, exchange rates exist. The tobacco, textile, mining, and emergency health sectors now all have different trading rates of the Zimbabwe dollar to the American dollar (Financial Gazette, various). In total nine separate sectors have concessionary exchange rates (Financial Gazette, 2002).

Meanwhile, the weight of the economic crisis is being passed on to the weak and vulnerable in Zimbabwe. Sachikonye’s account of the crisis shows how the socio-economic improvements of the 1980s have been eroded (2002:14-15). The structural explanation for this can be found in Sachikonye and Beckman’s edited volume on changing labour regimes within the context of economic and political liberalisation in Africa (2001). Structural adjustment programmes are here seen as responsible for a

\[
\text{decline in state capacity to sustain corporatist modes of regulating state-interest group relations (Akwetey, 1994; Hashim, 1993; Sachikonye, 1993) The causes of decline include the deterioration of the fiscal resource base and political legitimacy as well as a policy shift in the direction of economic liberalisation (2001:3).}
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The essays in the volume ‘report a dramatic decline in workers’ bargaining power as related to mass retrenchments and the collapse of earnings’ (Sachikonye and Beckman, 2001:15, author’s emphasis). In order to attract foreign capital under adjustment in Zimbabwe, labour laws were revised, minimum wages de-regulated and protective safeguards and rights withdrawn. The authors summarise that:

\[
\text{Although the interest of foreign capital has so far been lukewarm, the move has provided state legitimation for the revival of a despotic work-place labour regime, and opened up new frontiers in the confrontation between the state and labour movement (Sachikonye and Beckman, 2001:13).}
\]

\[
\text{The living standards of Zimbabweans have also been undermined by repeated devaluations, inflationary spirals, the undermining of collective bargaining by inflation and the decline in the social wage by reductions in government spending (2001:15).}
\]

In summary, in cases of currency crisis, the government has a number of options. It can allow inflation to shift the burden of the economic crisis on to the weak and vulnerable, and/or it can negotiate with the private financial sector to provide more resources for national development. Ultimately, the current situation is characterised by both a generalised collapse in the value of the domestic currency, and by state-sponsored efforts to tax private holders of capital to provide finance for land ‘redistribution’. With a fading legitimacy the latter has failed. In the Zimbabwean case the exchange rate regime has been one of the last functioning tools of government with which to push forward the consolidation of a state class; cause an extended diaspora of the middle class; and impoverish the masses.
Conclusion

One way of understanding political and economic change in Africa without an inevitable sense of detraction from the ‘necessary’ European trajectory may be to return to some older conceptions of the political economy of the state in its generic sense. This article reasserts the idea that the mutual interdependence of the public and private is derived from the capital relation itself, and that the state must inevitably manage shifting boundaries and hybrid combinations of governments’ and firms’ roles. Whether this approach solves the problem of Eurocentrism, or merely reintroduces it in another epistemology and tradition remains an open question. However, it does allow us to escape a conceptual landscape that hides from view the essentially political nature of market construction and accumulation, both on the part of European and African states. State regulated landscapes of accumulation are common to all capitalist societies, and they interact and compete, but not at trading posts on the border of the nation state, but ultimately within negotiations between governments, central banks, and finance houses (and sometimes within labour regimes) managing monetary valuations using the medium of currency.

Polanyi remarked that ‘fascism, like socialism, was rooted in a market society that refused to function’ (cited in Stiglitz, 2001: xv.). According to Stiglitz, he saw, ‘fascism and communism … (as) not only alternative economic systems; … (but) represent(ing) important departures from liberal political traditions’ (Ibid.). There is a warning in this observation, that:

> there are myriad unsavory forms that the rejection of a market economy that does not work at least for the majority, or a large minority, can take (Ibid.).

In this article we have reviewed institutional means governments have employed to ameliorate for the incapacity of the ‘self-regulating market’. There are a number of pro-active government polices which can produce redistribution. However, questions of legitimacy and authorisation occur. Private property is a codified settlement from past struggles over resources, and resistance from privileged sections of society inevitably follows demands for social change. Stiglitz summarises that:

> Polanyi saw the market as part of the broader economy, and the broader economy as part of a still broader society. He saw the market economy not as an end in itself, but as means to more fundamental ends (2001:xv).

The ends of concern here are redistributive and poverty reducing. If the market economy is to be harnessed to produce this, property rights must be changed with the democratic authorisation of the majority, and hopefully without a backlash from elites used to undue privilege.

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Endnotes

1. The Development Assistance Committee of the OECD, ‘judge that interest rates and payment structure (which determine the ‘concessionality’ of aid) do not fully describe multilateral aid. In particular, nonconcessional multilateral aid is additional to what would be otherwise available at that interest rate, is often targeted toward public goods, and may be accompanied by valuable technical assistance. It may also serve as a catalyst for other funds … For these reasons, it
functions more like bilateral ODA than like a nonconcessional bilateral flow’ (Mellor and Masters, 1991:504).

2. The UK is the ‘second largest contributor towards the international costs of HIPC, committing over $300m to the HIPC Trust Fund’ (Developments, issue 19, Third Quarter 2002, DFID, London).

3. The Phillips curve suggests that a higher inflation rate is accompanied by a lower unemployment rate, and vice versa. It implies that more inflation can be traded for less unemployment, or vice versa. It is named after its inventor, A. W. Phillips in 1958, but doesn’t always work.

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**Full List of Organisations in ‘Extra-territoriality’ Diagram**

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIS</td>
<td>Bank of International Settlements</td>
</tr>
<tr>
<td>CDC</td>
<td>Commonwealth Development Corporation</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>DGVIII</td>
<td>Directorate General for Development, European Commission</td>
</tr>
<tr>
<td>DTI</td>
<td>Department for Trade and Industry</td>
</tr>
<tr>
<td>ECGD</td>
<td>Export Credit and Guarantee Department</td>
</tr>
<tr>
<td>EDFI</td>
<td>European Development Finance Institutions</td>
</tr>
<tr>
<td>EIB</td>
<td>European Investment Bank</td>
</tr>
<tr>
<td>Euro ECAs</td>
<td>European Export Credit Agencies</td>
</tr>
<tr>
<td>FCO</td>
<td>Foreign and Commonwealth Office</td>
</tr>
<tr>
<td>IBRD</td>
<td>International Bank for Reconstruction and Development (World Bank Group)</td>
</tr>
<tr>
<td>ICSID</td>
<td>International Centre for the Settlement of Investment Disputes (World Bank Group)</td>
</tr>
<tr>
<td>IDA</td>
<td>International Development Administration (World Bank Group)</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation (part of World Bank group)</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund (membership necessary to join World Bank Group)</td>
</tr>
<tr>
<td>MIGA</td>
<td>Multilateral Investment Guarantee Authority</td>
</tr>
<tr>
<td>NCM etc</td>
<td>Nederlandsche Credietverzekering Maatschappij, manages most of ECGD’s historic clients from Export House</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>WFDFI</td>
<td>World Federation of Development Finance Institutions</td>
</tr>
<tr>
<td>WIPO</td>
<td>World Intellectual Property Organisation</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
</tbody>
</table>

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World Aid Section (1991), UK Department for Trade and Industry, *European Community-Funded Aid Projects in Developing Countries: Consultancies*, compiled by the UK Permanent Representation to the European Communities, January, leaflet EDF 08.
Karamoja: Is Peace Possible?
Anders Närman

After more than two decades of turmoil and retarded development it seems as if Uganda is once more heading towards a brighter future. Nevertheless, some people and regions are, so far, still excluded from these positive trends. Poverty and armed conflicts are very much a part of every day life for many Ugandans. In western Uganda, for example, the ADF (Allied Democratic Forces) carry out atrocities against the civilian population adjoining the Democratic Republic of Congo (DRC). For many years, the most seriously affected region of Uganda has been the north. At present, the Lord's Resistance Army (LRA) is attacking civilians seemingly at random with new force, at a time when the national army, through Operation Iron Fist, has eliminated most of the guerrilla bases in southern Sudan and claims to have gained the upper hand on Ugandan soil as well. Civilians were recently asked to leave their homes and move closer to occupied army barracks, or risk being massacred by the increasingly desperate rebels.

In this Briefing, attention will focus on Karamoja in the north-east, which is undergoing a state-led disarmament exercise. At the same time, there has been a clear escalation of violence in Karamoja. It is important to make one distinction from the very beginning. It is often assumed that all groups living in Karamoja belong to the Karimojong and are potential cattle rustlers. However, we can see that the Karimojong (people living in Karamoja) are a rather diverse group ethnically; some, indeed, are cultivators. The Karimojong are the main pastoralist group in the region; they are feared for raids into neighbouring areas, but are also a constant threat to other ethnic groups in Karamoja. Among the pastoralists are the Jie, Dodoth, Tepeth (So) and Pokot groups. Among cultivator groups in Karamoja are the Ethur, Nyangia, Ik (Teuso) and Mening. Some of the Karimojong groups are related to other Ugandan groups, mainly the Luos, but some are ethnically closer to the Kenyan Kalenjin, such as the Pokot. This analysis will take the relationships between poverty, security and mutual distrust as a central theme, following a short historical overview.

Historical Overview

Before the entry into East Africa of people practising cultivation some 1500-2000 years ago, the region was populated by nomadic groups, for whom cattle played not only an economic role, but also had major social significance. With the colonial expansion of cash crop production, a conflict over land between the cattle population and agriculturists emerged. In the mid-1800s the Uganda Karimojong adopted a settled form of pastoralism, with families staying in a certain place with only animals and their herders moving in search of water and pastures. A struggle for grazing land and water led to confrontations (Ocan, 1992).

When Uganda was declared a British protectorate (1894), the new international boundaries severely limited mobility. At the same time, district boundaries were instrumental in making ethnic (clan) differences more distinct, resulting in intra-
Karimojong conflicts (Ocan, 1992). Early colonial days were a period of hunting for ivory in Karamoja in exchange for traders selling arms to the Karimojong. The area became a supply route for the entire northern part of the country (Mamdani, 1992). It can be observed that ivory from Karamoja was one of the most essential items exported from East Africa at the time.

For the people in Karamoja, colonialism was a period of strong state repression and serious human rights abuses, as the British army were commissioned to pacify the people. Entry into the region was strictly controlled, and Karamoja was turned into something of a resort for British colonial officers coming to the game reserves. Mobility for the local pastoralists was further restricted, leading to an accelerating ecological deterioration. In addition to that, the livestock was exposed to diseases that reduced the number of cattle.

Even if British colonisers treated the Karimojong harshly, independence did not bring a substantial change for the better. Consecutive governments tended to neglect Karamoja, reflected in a statement by the first Prime Minister, Milton Obote, who is supposed to have claimed that ‘Uganda cannot wait for Karamoja to develop.’ What is obvious is that all development activities in Karamoja are, at least partly, hampered directly or indirectly by the prevailing insecurity. At the same time, it is clear that insecurity is accentuated by rampant poverty. In addition the treatment of the Karamojong has built up a serious distrust in central government, both colonial and independent.

Poverty

Karamoja comprises three districts of Kotido, Moroto and Nakapiripirit (recently carved out of Moroto) with a total area close to 30,000 km² and, in 1998, a population of some 500,000. Population growth in Karamoja is rather low compared with other regions of Uganda. Life expectancy at birth is much lower than the national average; coupled to high infant and child mortality rates reflecting the population’s poor health. This might be related to a number of factors, such as the general insecurity, poor medical facilities and the overall conditions of hardship. Medical staff are seldom properly trained and health centres are not well equipped. Due to the general insecurity, thefts of drugs and other medical equipment are common. A specific dilemma following the war are the many displaced and orphaned children, many of whom have been found to have serious mental problems because of their specific backgrounds. There is also a pronounced gender imbalance, with the number of women substantially exceeding that of men, partly as a result of the war.

In 1962, at the time of independence, it was estimated that 1% of the Karamoja population had accepted the Christian religion. As the churches were the main educators at the time, this meant that few Karamojong had ever been to school. At independence some 4,000 children were enrolled in primary school, giving a rate of 3% (Mirzeler & Young, 2000). The level of education today is still very low, particularly among girls. Schooling is of low standard, with few qualified teachers and poor school buildings. Enrolment figures for primary school in the late 1990s were just above 25%, even if recently introduced UPE (Universal Primary Education) has boosted the numbers temporarily. As a general rule, drop out rates are very high in the region and very few will reach and complete Grade 7. Secondary education is very limited and in most cases sub-standard. Considering the low level of performance in the primary-leaving examination, the demand for secondary education is not very high anyway.

Almost all of the Karamoja population are still rural, with almost 90% living
from subsistence agriculture and/or livestock production. Due to insecurity and land use by the nomads, only a small amount of potentially arable land is actually under cultivation. Serious land degradation affects both cattle-rearing and cultivation negatively. In this debate, the issue of destocking has featured prominently for ecological reasons. However, among the Karimojong, cattle is an expression of wealth and therefore, there is now a clear line of confrontation between modern and traditional lifestyles.

Karamoja is to a large extent dependent on foreign food aid and has been classified as a chronically food deficient area. According to a report in *The Monitor* (27 May 2000), the World Food Programme will give Karamoja US$5.8 million in an emergency food aid package but also suggested that this was a marginalised region that requires more than just food aid. For instance, for substantial change to take place in Karamoja there is an urgent need for infrastructure development. For the water sector the situation is precarious, with rivers that dry up easily with strong evaporation; water is also in many cases contaminated due to both human beings and animals using the same water source. Roads are badly in need of improvement, but attempts are thwarted by both insecurity and contracts that have been corruptly awarded to substandard companies. The most common source of energy is firewood, while some charcoal is used in the urban areas. Electricity from the national grid is not available in Karamoja, but there are some generators for business enterprises and institutions.

It is clear that Karamoja is a region far removed from national development trends. It was neglected during the colonial and early independence periods, but even now not much seems to benefit the Karamojong. For the future, national policy is placing heavy reliance on private sector development, but with the picture painted above it is difficult to see how this will take place.

**Insecurity & Arms Trafficking**

The pattern of insecurity in Karamoja is rather complicated. Cattle raids have been a common feature of life in the region. Today the element of guns has aggravated the situation uncontrollably. It has been said that when the former Amin soldiers ran away, armouries were laid open for the Karimojong warriors. With the defeat of the short-lived Okello regime, no disarmament was undertaken, as the Karimojong was seen as a counter-force towards rebellions in the Teso areas adjoining Karamoja. During this period the Karimojong almost totally depleted the Teso people of their cattle. This is a source of deep resentment between the two neighbouring regions, something that we will focus on below.

Arms trafficking is an important economic activity in the Karamoja region, involving Sudan, Kenya Ethiopia and Somalia as well as Uganda. Guns and ammunition are transported on certain routes and sold openly in specific markets. They can be purchased for self-protection, but also to carry out raids. As this is an international issue, it is essential to find a solution between the different countries involved. At the same time, these areas are very difficult to monitor. One further complication is said to be that one of the main sources of guns in Karamoja is the national army itself: selling arms for non-payment of salaries. An important actor in all this could be the NGO/CBO community, which has organised research and seminars to find out the facts related to arms trafficking.

According to some government estimates, there could be some 30-40,000 AK47 guns in Karamoja. If accurate, the Karimojong are in possession of more guns than are held by the national army in the region. However, the actual number of guns held by the Karimojong might be double or
three times this figure. In an attempt at disarmament in 1987, the national army lost some 300 soldiers. In the late 1990s some 400 Karimojong were killed by the army as operations against the warriors escalated (Mirzeler & Young, 2000). When disarmament begun again in 2001, the government was able to recover some 10,000 guns.

The present disarmament exercise has been taking place in two phases. The first was a voluntary surrender of illegal guns to the authorities. Thereafter, this turned into a phase of recovery by force, which resulted in constant clashes between the national army and the Karimojong warriors. Thus, the security situation deteriorated substantially during the first part of 2002. In one recent clash in Panyanagara sub-county, more than 130 people are said to have been killed, with a considerable loss not only of soldiers and warriors, but also of women and children.

Numerous reports from the region give accounts of how travellers are attacked and robbed by both the Karimojong and the army. For example, a Catholic priest and a former district (LCV) Chairman have been killed. Furthermore, the warriors are now carrying out raids in what used to be rather peaceful areas – such as Labwor county – mainly populated by cultivators.

Inter-clan rivalries are common in Karamoja. We hear stories of how one sub-group of the Karimojong attack the next one, followed by a revenge raid. Sometimes some clans go together against a third one, and so on. It has also been the case in August/September 2002, that Karamoja has been attacked by the LRA cutting across from Kitgum and Pader districts in the north. This is partly a new dimension to the conflict, connected to the spread of the desperate rebels from their original home areas. In some cases, this has interrupted schooling as the LRA has a notorious habit of abducting children.

On one occasion in 2001, more than 200 cattle were stolen from Katakwi district by the warriors. This was followed by army attacks, using helicopters, also killing innocent people. From such instances a relationship of further mutual suspicion is created between the Karamoja population and the authorities.

**Mutual Distrust**

During recent field research in Soroti and Katakwi districts, people often claimed to despise their neighbours deeply, coupled to fear of new raids. In Katakwi this fear is well motivated, as a majority of the district’s population live in camps for displaced people that are occasionally raided by Karimojong warriors. During these raids the young warriors not only take away cattle, but also whatever goods that are available. In one refugee camp, people claimed that they are not able to cook, as all the utensils and cutlery had been taken. Other people explained how the Karimojong, contrary to their normal habits, had struck during the day and invaded a camp, killing eleven people – mostly inside the houses.

One issue that has, so far, complicated matters as far as disarmament goes, is the risk of being attacked by neighbours from across the border, not least the Turkana and Pokot in Kenya. Measures to address the problem must be enacted and implemented on both sides of the border between Uganda and both Kenya and the Sudan.

Even with all these raids on neighbouring groups, it seems that other Karimojong people are being hit even more seriously by the warriors. Cultivators within Karamoja have often been attacked, especially during the time of the recent disarmament. Their situation is also problematic in as much as they are often not distinguished from the warriors by outsiders, even though they are among the victims.
With so much hostility, there have been attempts to project a very negative image of the people of Karamoja. It has been claimed by many local administrators from the region that their attempts to discuss the situation with neighbours have been dismissed, as they have not been trusted. A general picture was painted by the British colonialists of a primitive and brutal people. The same is still going on today in the press, both domestic and international, in the way that all the Karamojong are described.

Traditional leaders have lost their influence due to the power of the gun. In attempts to find ways out of the present quagmire, local leaders have often expressed a positive view on this. However, the warriors have always been able to find other leaders who are willing to support their raids, especially if there is something to gain. The educated elite among the Karamojong are also met with suspicion, as they are no longer identified as really forming part of the community.

**Concluding Analysis**

This purpose of this Briefing has been to illustrate how the conflict in Karamoja has resulted from a number of interrelated factors, such as poverty, insecurity and mutual distrust. It is therefore impossible to find a single solution to the complex problems. Poverty cannot be overcome by simple identification of what is lacking in terms of material welfare; instead, the meaning of the concept must be understood from a local perspective. Attempts to reduce insecurity are often geared towards the obvious symptoms of the problem, without addressing the deeper underlying causes. Finally, due to mutual distrust built up over generations, traditional forms and institutions of social organisation have been disrupted to such an extent that it might be difficult to find a clear way out of the crisis.

**Anders Närman**, Göteborg University, Sweden. This Briefing reflects ongoing joint research by the Faculty of Social Studies, Makerere University, and the Department of Human and Economic Geography, Göteborg University. Collaborators on a specific project on conflict and conflict resolution are Professor Gingyera-Pincycwa and Ass. Professor Anders Närman. Part of the field work in Karamoja has been carried out by Lammy Oyollo. Some data are taken from a workshop organised by ADOL in Jinja, 9 to 13 November 2001, on small arms trafficking, and from miscellaneous news reports in the two leading English-language daily Ugandan newspapers, *The Monitor* and *New Vision*.

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The Changing Predatory Styles of International Oil Companies in Nigeria

Dimieari Von Kemedi

Since the discovery of oil in Nigeria’s delta in the late 1950s, the dream of oil as a commodity that would improve the lives of the people in oil producing areas and in Nigeria more generally has degenerated into a nightmare. Far from fulfilling the positive expectations of the people, crude oil has paradoxically become a source of poverty and conflict. Poverty has mainly resulted from the forced seizure of family or communal land by the Federal Government in favour of the oil companies and the pollution of adjoining lands, creeks, rivers and the sea upon which the people depend for their livelihood.

Not surprisingly, the twin effect of the seizure of communal land by the Federal Government of Nigeria and the pollution of adjoining areas by the international oil companies has resulted in intense competition amongst communities, and among community members for recognition by the oil companies. This has led to internecine violence between communities resulting in the loss of lives and property but also the destruction of the social capital on which the communities found their development and survival strategies. In these deadly struggles, the international oil companies have often covertly and more openly supported one or both of the fighting parties. That has ensured that the people remain divided and concentrate on mutual annihilation rather than question in any effective and efficient manner, the unjust system of exploitation, which forms the basis of the activities of the oil companies.

The prevalence of poverty and conflict in the delta has also ensured that the oil companies have continued to characterise the people as poor, backward and violent, and to use this negative perception to question the credibility of the views and peoples of the delta. Adept at this game are Shell, Chevron, Mobil and Agip. These companies are all key players in Nigeria’s oil industry and they share in various degrees the mastery of predatory techniques, and the navigation of the delta using violence, intimidation and bribery.

There has been a long history of exploitation of the Niger Delta by transnational companies. While the oil companies have sharpened their predatory skills over more than 40 years with considerable casualties, the people of the Delta have since 1444 when the Portuguese first arrived suffered various indignities that have strengthened and uplifted their spirits to continue a struggle that their forebears had waged against successive exploitative commercial interests.

One of the most remarkable instances of the Niger Delta people’s resistance against exploitative commercial interest was the Akassa War of 1895, which resulted from attempts by the Royal Niger Company, a British interest, to rig the rules of trade against the Nembe peoples on the coast of the Niger Delta. Since then the people of the Niger Delta have carried out various historical struggles for control over their resources, including the pre-independence Niger Delta Congress political (party) movement; the Twelve Day Revolution of the Ijaw people led by Major Isaac Boro in 1966; the Umuechem resistance/massacre of 1990 and the Movement for the Survival of Ogoni People (MOSOP) struggles, led by novelist and poet Ken Saro-Wiwa who was killed by the conspiracy of Shell and the military government of General Sani Abacha. Through all these and other instances of popular resistance, the people of the Niger Delta have learnt the painful way that external/international support is fickle and based on principles of tokenism, and that the coalition of oppressors in the axis of
greed, the Federal Government and the international oil companies and their agents are brutal and unrepentant in their drive for full and complete exploitation of the resources of the Niger Delta. This has resulted in the powerful historical and moral claim felt by the Ijaws and other peoples in the Niger Delta.

The Predators Strategem

The predators have been very versatile in adapting changing forms of accumulation, and their approach in dealing with the challenges posed by a people who have remained defiant in the midst of hunger, and structural and systemic violence. The alliance of international oil companies and the Obasanjo administration have perfected a policy to give a final solution to the problem of the Niger Delta. This policy consists of using the recently established Niger Delta Development Commission and the international oil companies to corrupt, discredit, confuse and/or divide the leadership and peoples of the Niger Delta and to intensify the use of covert and overt violence.

The people of the Niger Delta have been consistent in their demand for local control of resources so that the institutions like the Niger Delta Development Commission that manage the resources are representative of, and answerable to, the people of the Niger Delta. However, the Niger Delta Development Commission is an inadequate and weak vehicle for meeting the needs of the people of the Niger Delta. Indeed, this may not even be its purpose, which could be better described as to serve as a perverse form of the development that Okechukwu Ibeanu refers to as ‘developmentalism’ in ‘Janus Unbound’ (Ibeanu, 2002:164-165). Ibeanu observed:

> the Achilles heel of developmentalism remains that it is prone to conflicts because of its tendency to be exclusivist, regimenting, hierarchical and exploitative.

This observation is correct but almost assumes that the approach is an honest if careless and dubious mistake. On the contrary, Government of Nigeria policy has been carefully planned to deliver top-down development and serve as a source of conflict and distraction, and as a vehicle of disempowerment. This is sought by creating and accentuating a culture of greed and dependency amongst the people of the Niger Delta.

The strategy is to launch a world-wide campaign to sell the idea that the new democratic government of General Obasanjo is committed to the development of the Niger Delta. It’s a strategy to lull or distract the international coalition that had supported the Delta, and then to proceed by using the Niger Delta Development Commission (made up of ‘some-what delta people’ appointed by the President and unanswerable to the people of the Niger Delta) to dispense top-down development. The effect of this is that the Federal Government controls the commission, determines what people are corrupted by the commission and still has the advantage of blaming the people of the Niger Delta for all that the government is aware will go wrong with the commission. Meanwhile the commission will award contracts according to its own priorities and not according to the priorities of the people of the Niger Delta. The resultant backlash when it's fully understood that the people of the Delta have been short-changed may be considerable and it will fall against the puppets of the Federal government, the management of the Niger Delta Development Commission and their contractors, all of whom will be Niger Delta people.

International oil companies and the Federal government envisage that ‘developmentalism’ will undermine organisations like the Ijaw Youth Council and the Ijaw National Congress and the Movement for the Survival of the Ogoni People (MOSOP); that undermining process is well advanced. Michael Fleshman in his
A well-researched report observed that as far as MOSOP is concerned:

The eruption of a bitter and very public split within MOSOP in September 1998 – and the failure of the organisation to resolve it – has dismayed the organisation’s international allies and largely paralysed the international Shell campaign (2002:162).

This observation clearly indicates how the infiltration of a people’s movement could not only cut off international support but also kill local enthusiasm for not only the organisation but also the cause. Fleshman continues that:

In other areas of the Delta the advent of armed resistance to corporate and government exploitation and the highly publicised kidnappings of oil workers has raised a host of philosophical and ideological difficulties for the international solidarity movement. The kidnappings provided the oil companies and Western governments with ammunition to justify their call for a military solution to the resistance (2002:162).

Fleshman concludes that:

Fratricidal violence between and within communities, however linked to the marginalisation of the oil producing communities or manipulated by the state, has taken thousands of innocent lives and proven to be (a) public relations boon for the oil companies back home. The Nigerian movement as a matter of urgency must address the issue (Ibid.).

This view however, only reflects the extent to which the international oil companies, the Federal government and other members of this unholy alliance have been successful in their dis-information campaign. The alliance has succeeded in getting even those who posture as allies or are allies of the people of the Niger Delta to join in blaming the victim rather than the manipulator. As an old man in the community of Bille in the Niger Delta noted:

when you rob Peter to pay Paul, Paul will always be happy but Peter will be called a trouble maker.

It is a testimony to the peaceful disposition of the people of the Niger Delta that they have not embarked on armed struggle to press their demand for resource control. This is not only a justifiable option but has been an option which oppressed peoples all over the world have used. The option of violence is not anybody’s monopoly. Yet in the history of the struggles of the Niger Delta people, violence has not been a dominant option apart from the Akassa War of 1895, which the Nembe people fought against the British and Major Isaac Boro’s twelve-day revolution in 1966.

In modern times the people of the Niger Delta have never resorted to violence to deal with their situation with the oppressors. Indeed, observers of the situation in the Niger Delta wonder why the people have not opted for a strategy of violence. Western governments have been shamelessly silent over the atrocities of the alliance particularly since the inception of the present pseudo-democratic regime of General Olusegun Obasanjo. Not only have western governments been silent over the killings ordered in the Delta but they have participated indirectly by allowing the international oil companies to use them as communications channels to press for action against oil producing communities. People like Michael Fleshman, and other international friends of the Niger Delta ought to be holding their governments responsible. The struggle is not over, and there should be no quitters. The highly publicised kidnappings Fleshman refers to are widely known to be the work of common criminals who have taken advantage of the situation created by the international oil companies and the government to kidnap oil workers for ransom.
At no time had the kidnappers made any political demands consistent with, for instance, the demands of the Kaiama Declaration of November 1998 or the Ogoni Bill of Rights of October 1990. It is therefore unfortunate that Fleshman’s extensive research failed to make this elementary observation.

The issue of intra- and inter-communal conflicts is a legitimate and urgent cause for concern and friends of the Niger Delta ought to join the people of the Niger Delta in the process of attending to this violent wave that threatens the community. The British High Commission and the Netherlands Embassy in Nigeria have already taken steps in this direction through their support for conflict transformation activities. Those who claim firmer friendship with the people of the Niger Delta ought to take a cue and do even better. More practical work needs to be done in the Niger Delta, apart from international campaigns. The lapses that are today noticed in the movement in the Delta are a product not only of international oil company sabotage but also of capacity. How much were the people of the Delta supposed to have reasonably achieved given the state of the environment and the issues that surround them and their capacity and limits as a people?

It is gratifying however that Michael Fleshman’s report ends on a note of hope when he says, albeit with particular reference to the struggle against Abacha,

The oil producing communities in the Niger Delta, although often remote, isolated and inaccessible, are nevertheless inextricably linked to the international community through the production and sale of oil. That enduring reality, and the bonds of solidarity forged between Nigerians and the international human rights, environmental and Africanist communities ... form a small but firm base for the struggles to come (2002:162).

If this statement is to be taken seriously it is not enough for the international group to stand back and say fix your internal problems and then we will work with you to fix your external problems. Like offshore and onshore oil, there is no dichotomy in the problems. All the problems must be shared if we are to be true friends.

Planned & Other Outcomes

With peoples’ associations in disarray, communities in conflict, social capital lost and credibility diminished, the ground might have been fertile for the emergence of underground movements. These movements would not have needed external credibility but could capitalise on the demise of the non-violent peoples organisations to advance a political mobilisation rooted in reinvigorated resistance. The notion would have been clearly and firmly embedded that non-violent resistance as a tool for liberation has failed and the stage would therefore be set for a more revolutionary campaign. This new campaign could be justified by the increasing and consistent use of both structural and physical violence by the international oil companies and the Federal Government of Nigeria against people in the Delta.

There are already strong foundations for private armies and armed banditry in the Delta entrenched through numerous inter-and intra-communal wars. These wars have helped build up weapons and armies that have dulled peoples’ natural aversion against violence. Private armies actually depend on the oil companies for the resources to purchase arms and are joined by the Surveillance Contractors, who represent another dangerous cadre of armed bandits, much like mercenaries. In Nembe, the perennial bloody intra-communal feud has been linked to the arming of a section of the youths by Shell via Surveillance Contracts, which provide the resources to buy arms not only to protect Shell facilities but also to sup-
press dissenting voices in the community. In the Bille vs. Ke crisis which led to the destruction of several communities and kidnappings and counter-kidnappings, the Shell Surveillance Contracts were fingered as having helped to assist one of the communities in purchasing arms and communications equipment, that were then used to devastating effect in the war.

Yet another category of armed militia that is emerging is the politico-militia which are raised and supported by factional political interests that compete for access to the corrupt system that is today being institutionalised by ‘develop-mentalism’. This category of militia have been used to lethal effect in the 1999 elections, and 2003 promises to be even more deadly as the Niger Delta leads the rest of the country in arming against the forthcoming elections. This politico-militia would join those raised and nurtured by communal strife and the surveillance contractors, if they are at all distinguishable, to make not just 2003 but the aftermath a dark prospect. Many do not realise, for instance, the connection between the invasion of Odi by the military under the orders of General Obasanjo and the 1999 elections.

In this case, most of the gang involved in the invasion of Odi had also, subsequent to the killing of the policemen, held the entire community to ransom. However, they originated within an armed political machine linked to the 1999 elections. The failure of their patron to settle/pay-off and disband them after winning ‘the elections’ led the group to continue to band together and commit crimes to survive. They nevertheless upped the stakes by garrisoning Odi and forcefully collecting ‘taxes’ from people both in the community and on the highway to execute self-appointed causes such as mobilising towards the Odua Peoples Congress/Yoruba vs. Ijaw conflict in Ajegunle, Lagos. As Ibeanu noted, this criminality was traceable to the Ijaw vs. Ilaje oil-based conflict in Ondo State (2002:164). The response of this politico-militia to the situation in attempting to mobilise from Odi towards Lagos is a reflection of their impatience and lack of confidence in the peaceful methods adopted by the Ijaw Youth Council and the Ijaw National Congress.

The profitability of corruption has been clearly demonstrated by most of the Niger Delta Governors.

They have mismanaged the increased resources coming into the states, and also shown that they can not be held accountable. Politicians in the Niger Delta and all over Nigeria, most of whom have been bought off by the international oil companies or were even sponsored by the oil companies, have displayed high levels of wealth which tends to redefine the purpose of political power and opens up the 2003 elections as a possible end game activity for Nigeria. The signs are glaring. It is possible that as a result of the suffering which the people have undergone as a result of their most recent struggle for resource control, and the attendant disappointment witnessed by the people in the hands of the present political leadership, that they will look for new strategies. There may emerge an increased popular interest, which would likely clash with cabalistic manipulations, leading to the suppression of the will of the people and then a counter popular movement which may dismantle Nigeria’s political order and bring about greater instability.

Conclusion

To avert chaos in the Delta and sustain the oil industry, many solutions have been offered in order to sidestep the alternative that the people of the Niger Delta have offered, namely local control of resources. One alternative, which has been proffered by Government under the guise of national resource control, is the populism of ‘re-nationalising’ or
indigenising oil resources. That has been pursued by transferring ownership to locally registered companies, offshore holding companies to hide western domination. However, this may occur without any net benefit to the people and perhaps involve more brutality as the international ownership dimension becomes more obscure, and the international solidarity movement thus less involved.

In contrast to the strategies offered by the Government of Nigeria and the oil companies the people of the Niger Delta are advocating local control of resources with an equitable share for all based on a negotiated agreement. Further, the people have not expressed any preference on corporate governance. But surely the people of the Delta are shrewd and humane enough to understand that the international oil companies have ‘invested’ too much to be left out of the scheme of things in favour of any shadowy business arrangements.

The idea of resource control has not yet been fully developed, and therefore represents a challenge. It is a just solution to years of conflict, fighting and violence and will only be possible through a resolution of conflict between powerful interest groups and class forces. Whether it can lead to a credible agreement and create a win-win solution for all parties will depend upon a combination of local, national and international struggles for resources in general and oil in particular.

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**Africa: External Interest & Internal Insecurity : The New Gulf Oil States**

*Jean-Christophe Servant*

The United States used to attach little importance to Africa, but now it is reviewing its oil sources strategy and sub-Saharan Africa, with its good quality reserves, could account for 25% of all US crude oil imports by 2015.

While the United States marshals its forces to attack Iraq, it is also engaged in an equally strategic battle several thousand kilometres away. This calm offensive, as the Nigerian daily *The Vanguard*¹ calls it, targets oil reserves south of the Sahara and is designed ‘partly to avoid antagonising its Middle Eastern allies and partly to avoid generating a perception that it cares only about Africa’s resources’.² According to Walter Kansteiner, US Under-Secretary of State for African affairs, African oil ‘has become a national strategic interest’.³ Ed Royce, the influential Republican senator for California and chairman of the Congress African sub-committee, maintains that African oil should be treated as a priority for US national security post 9-11.⁴

Congress and the White House have yet to make this strategy official. But discrete interventions in oil-producing countries seem to corroborate the trend, notably US support for peace talks in Sudan, at the beginning of 2002, and gentle pressure on Nigeria to leave Opec. Later in the year Colin Powell visited Gabon, the first visit for a US secretary of state. On 13 September George Bush laid on a symbolic breakfast party for 10 heads of state from central Africa. A member of the US military command in Europe, General Carlton Fulford, visited Sao Tome and Principe in July to review the security of oil operators in the Gulf of Guinea and
the possibility of setting up a regional military command centre there, similar to the one in South Korea.

During the presidential election campaign Bush said that Africa ‘doesn’t fit into the national strategic interests as far as I can see’ but there is a firm economic basis for US interest in the continent. The UN Conference on Trade and Development (Unctad) estimates Africa’s total oil reserves are 80bn barrels, 8% of the world’s crude reserves. According to National Intelligence Council forecasts, the US could be importing as much as 25% of its oil from central Africa by 2015, compared with 16% at present.

With output of more than 4m barrels a day, sub-Saharan Africa already produces as much as Iran, Venezuela and Mexico combined. Output has increased by 36% in 10 years, compared with 16% for the rest of the world. Sudan, which started exporting oil three years ago, now outputs 186,000 barrels a day. Nigeria, Africa’s leading exporter of crude oil, is set to increase daily output from 2.2m to 3m barrels, rising to 4.42m by 2020. In 2002 Angola, Africa’s second largest producer, emerged from 15 years of civil war. By 2020 it is expected to double output to 3.28m barrels a day. Equatorial Guinea currently holds the record (alongside Angola) for oil prospecting permits. Over the next 20 years it could become Africa’s third largest producer (ahead of Congo and Gabon) with 740,000 barrels a day.

Africa’s reserves also offer political advantages. None of the countries, apart from Nigeria, belong to Opec. The New York Times quotes Roger Diwan, a managing director of the Petroleum Finance Company:

There is a long-term strategy from the US government to weaken Opec’s hold on the market and one way to do that is to peel off certain countries.

As Robert Murphy, a state department adviser on Africa, stresses:

Much of West Africa’s oil is offshore, insulated from domestic political or social turmoil. Political discord or dispute in African oil states is unlikely to take on a regional or ideological tone that would result in a joint embargo by suppliers at once.

The Gulf of Guinea, with estimated reserves of 24bn barrels, is likely to become the world’s leading deep water offshore production centre. Except for the Sudanese oilfields, Africa’s reserves are just opposite the east coast of the US. The Chad-Cameroon pipeline will carry a further 250,000 barrels a day to the Atlantic. US oil companies – the two giants Exxon-Mobil and Chevron-Texaco, and operators such as Amerada Hess, Marathon and Ocean Energy – will invest more than $10bn in African oil this year.

The area became a geopolitical priority before 11 September 2001. At a meeting in 2000 on Africa’s energy potential, oil companies told the Congress sub-committee on Africa just that. The Institute for Advanced Strategic and Political Studies (IASPS), a think-tank set up in Jerusalem in 1984, played an important part in the meeting. IASPS has close links with the Likud party, a longstanding advocate of reducing dependence on Saudi oil, and US neo-conservative forces.

Victory for the Texan Oil Lobby

Bush’s electoral success was also a victory for the Texan oil lobby. In the aftermath of the September attacks IASPS’ ideas gained ground with the administration’s energy advisers and with White House falcons. In January 2002 IASPS organised a symposium attended by Kansteiner and members of the Bush administration (including Barry Schutzh, a specialist on Africa, and Lt-Col Karen Kwiatkowski, an airforce officer seconded
to the defence secretary). The symposium was also attended by members of Congress, following the lead of William Jefferson, representative for Louisiana, by international consultants, and senior executives from oil firms and investment funds. The meeting marked the start of the African Oil Policy Initiative Group (AOPIG) set up to interface between private and public sectors. It produced a paper ‘African oil, a priority for US national security and African development’. The oil industry’s message to the administration was clear – you lead, we’ll follow.

Since the symposium US energy policy has shown signs of being influenced by this lobby. The national policy made public in May by the vice-president, Richard Cheney, was eloquent:

*African oil tends to be of high quality and low in sulphur giving it a growing market share for refining centres on the east coast of the US.*

AOPIG has also intervened in Nigeria, the north of which suffers political and social unrest, dispatching oil evangelist Michael Wihbey to Lagos in July. Officially the aim was to set up a Gulf of Guinea commission representing oil producing countries in the area. Unofficially there was talk of Nigeria leaving Opec, a rumour finally denied by the government.

The AOPIG paper recommends that the US should ‘not repeat the mistakes of the Persian Gulf’. It should attach greater importance to transparency in the declaration of oil revenues and extend customs facilities already available to African countries. It should make a cautious commitment on debt cancellation. Much would have to change for US policy to adopt good intentions. Oil and good governance are currently a contradiction. In a document published in July, the association of episcopal conferences of the Central African region stressed that:

‘Complicity has come into play between our political power holders and oil companies. Revenue drawn from oil exploitation strengthens state authority, which is used to the detriment of the population’.

Chevron supervises 75% of oil production in Angola. According to the International Monetary Fund the *futungo* (the clique close to the government) embezzled more than 30% of oil profits in 2001. Equatorial Guinea, one of the smallest producing countries, is the most striking example of dubious US dealings. Its gross domestic product increased by 70% in 2001 and its reserves are estimated at 2bn barrels. Its ambassador in Washington (brother-in-law of president Teodoro Obiang) attended the IASPS symposium. The US is preparing to remove it from the list of 14 African countries with a poor human rights record and open a consulate there (closed under Clinton for budgetary reasons).

According to an investigation published by *The Nation*, two-thirds of Equatorial Guinea’s oil concessions have been awarded to US operators with close ties to the Bush administration. William McCormick, boss of CMS Energy, contributed $100,000 to Bush’s presidential inauguration ceremony. Ocean Energy, another company at work in the Gulf of Guinea, employs Chester Norris as a consultant in Equatorial Guinea (he was Bush senior’s ambassador there). The banana republic scenario is complete by coastguards trained by Military Professional Resources Inc, who will soon be patrolling the offshore oilfields. This private company is managed by retired high-ranking Pentagon officers.

At the Equatorial Guinea embassy in Washington they say ‘in our country, it is the oil companies that keep the US state department informed.’ Bush’s projected visit this year to Africa, above all Nigeria, could prove historic.
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Endnotes

4. Ibid.
8. For more details, and criticism by visitors to the site, see http://www.marekinc.com/BusEcoUSA06...

Of Big Fish & Small Fry: The Fishing Industry in Namibia

Henning Melber

This briefing seeks to draw attention towards a largely neglected aspect of the current efforts by Namibian state agencies to gain control over the extraction of natural resources. Under the guise of economic indigenisation and empowerment, a small government-sponsored elite are acquiring fishing resources for their private benefit with little or no benefit to the marginalised majority of Namibians.

Since Independence in 1990, the fishing sector has been one of the few growth sectors of the economy. It was established and consolidated under colonialism to the almost exclusive benefit of companies mainly owned by South African (and to a minor extent local ‘white’ Namibian) capital. Post-colonial developments resulted in more internationalisation of the industry with the entry and involvement of other stakeholders, especially from Spain and other countries with a strong fishing industry. There has also been a deliberate effort to achieve a higher degree of local Namibian participation in the sector by direct intervention from the state authorities. ‘Namibianisation’ and ‘Empowerment’ emerged as key terms and concepts of Namibia’s fisheries policy, which claims to advocate Namibian interests first. This policy uses state agency authority to allocate fishing quota on the basis of Namibian citizenship, and pass ownership to private individuals and local companies, with the declared aim of enhancing Namibian ownership in the industry within the framework of an ‘affirmative action’ policy.

This sounds reasonable, but has so far produced mixed results. While the policy is avowedly concerned with social redis-
tribution in the general interest of all Namibians, its effect is to promote the interests of a few in a process of accumulation characterised by rent-seeking behaviour. The example of fisheries policy illustrates that ‘black empowerment’ of this nature is modifying the class structure to the benefit of a privileged black minority able to participate in the continued exploitation of the country’s natural resources. The policy fails, however, to have a decisive impact on the overall grossly inegalitarian social structure and distribution of wealth. Thus, this briefing challenges the claim made by the Ministry of Fisheries and Marine Resources on the occasion of a jubilee volume by the Namibian Government after ten years of Independence, that ‘there is increasingly broad and balanced participation in the sector by Namibians of all backgrounds’ (Office of the Prime Minister, 2000:396).

As the following suggest, instead, there is a pattern whereby the state allocates a large portion of Namibia’s natural resources and hence collective wealth to private entrepreneurs for their individual gain. By offering state rents for private purposes, however, the public (in the sense of general) interest is not protected or pursued. Instead, a small elite benefits from the privatisation of wealth, which otherwise could have been used for a more meaningful social transformation reducing the extreme inequality among Namibians and the continued marginalisation of the majority of the population.

The Challenge of Decolonisation

A commercial fisheries sector became established in Namibia as an exclusive domain of expanding South African capital in the late 1940s and early 1950s, mainly at the country’s only deep-sea port of Walvis Bay (and, to a lesser extent, also at the other, smaller harbour town of Lüderitzbucht). While the South African fishing companies prospered during the 1960s and 1970s due to the abundance of fish along the Namibian coast, over-exploitation of the biomass resulted in dramatic deterioration of the once favourable conditions and disclosed the limitations of the potential fish stocks. As a result, by the mid-1980s, the depleted fishing grounds along the Namibian coast could be amply described as a ‘disaster zone’ (Moorsom, 1984:70), requiring special attention during the phase of decolonisation and socio-economic reconstruction.

In acknowledging the relevance of fisheries as an important source of future income for the economy of Namibia, the official blueprint for the establishment of a post-colonial social order presented by the United Nations Institute for Namibia devotes one of its 27 chapters to an assessment of the sector (UNIN, 1986:193-242). Among the essentials identified is the need for introducing necessary fisheries legislation – including the establishment of a 200 nautical miles Exclusive Economic Zone (EEZ), which in fact was proclaimed soon after Independence – and establishing an administration for management and control. The study forecast that a major challenge would be the development of cadres to meet the requirement for skilled personnel in the fisheries sector.

Anticipating the possibility of a ‘aid programmes of considerable magnitude ... made available to Namibia upon independence’, it argued in favour of technical aid programmes with a long-term perspective,

seeking to secure high level personnel training, basic research data (especially on stock levels and catch limits), and assistance in fleet and factory rebuilding and development on an aid basis. In such areas, the interests of a commercial operator wishing to continue to fish in Namibian waters conflict with those of Namibia which desires such personnel, data and plant to phase out foreign fishing (UNIN, 1986:240).
This approach is in line with the insights of an earlier study emphasising the need for capacity building in the sector (Moorsom, 1984:95).

At Independence, internal Namibian expertise required for effective and competent resource management in fisheries was indeed scarce, and human resource development emerged as a priority. The First National Development Plan (NDP 1) in as late as 1995 still qualified the state of human resource development in the fisheries sector as a matter of concern (Government of the Republic of Namibia, 1995: vol. 1, 194).

Another constraint at Independence limiting the utilisation of the full potential of the sector was the enclave status of Walvis Bay, which remained occupied by South Africa. This situation was corrected with the reintegration of Walvis Bay into Namibian territory in March 1994. Administratively, the relative importance of the fisheries sector was acknowledged with the transformation of the previous Department of Sea Fisheries in the Ministry of Agriculture into a full-fledged Ministry of Fisheries and Marine Resources (MFMR) in 1991. Its initial major task was the drafting of a White Paper (Government of the Republic of Namibia, 1991). The defined policy was then translated into a legal framework through the 1992 Sea Fisheries Act and the subsequently formulated Fisheries Regulations of 1993, a set of rules which holders of fishing rights, fishing vessels, fishermen and the fish-processing industries have to obey. On the basis of the criteria set out in both, the Act and the Regulations, fishing rights are granted and fishing quota are allocated.

The newly established Directorate of Resource Management at the MFMR is essential in this process, and is responsible for research into the population dynamics of commercially important species. One of its most relevant tasks is to collect and analyse a variety of data on the fish stocks. It then makes calculations of sustainable exploitation levels and if necessary allowable types of fishing gear (mesh size of nets and traps), and recommends annually to the Fisheries Advisory Council the Total Allowable Catches (TACs) of each species (Government of the Republic of Namibia, 1995: vol.1, 193). Despite several constraints since its inception as an autonomous Ministry, the MFMR has managed successfully to establish a Namibianisation strategy of the fisheries sector with a gradual expansion of control mechanisms and other regulations in favour of consolidating a responsible authority within the public administration. Hence after a decade of Independence Manning could conclude that,

considerable advances have been made in the management of the fisheries sector. The government succeeded in securing control of our fisheries sector when that control was seriously challenged in the early 1990s and has succeeded in turning it into a vibrant, growing sector of the Namibian economy (2000:69).

At the beginning of the 21st century, some 97% of Namibia’s fish are exported. The sector contributes some 10 to 12% to the GDP and accounts for roughly one-third of Namibia’s total foreign exchange earnings (The Namibian, 13 December 2000).

Current Appropriation of Rent

From 2001, there has been a formal requirement that Namibian citizenship must be proved to enable a person to qualify for a quota, which is a prerequisite to obtaining a share in the right to exploit the lucrative offshore biomass. The Minister announced in October 2000 that the existing (mainly internationally owned) companies would have to team up with Namibian newcomers if they were to continue to receive exploitation rights. The so-called ‘shotgun weddings’ forced established companies to share their equity with entrants whose only
assets might be the holding of fishing rights. The declared aim was to balance existing companies in the industry with those owned by previous victims of the discrimination under apartheid, who did not have opportunities to compete. The resulting intended change in ownership structures, at least on a formal level would, in Namibian terms, be classified as a type of ‘affirmative action’ in the private sector. While in the process of preparing the legislative change, the Minister was eager to point out that concessions would not be given to individuals or companies for their own benefit or self-enrichment but for the purpose of empowering previously economically disadvantaged Namibian communities (see *The Namibian*, various, 2000).

Observers have evaluated positively the potential of fish as a ‘vehicle for economic development’ (Sumaila, 2000), involving a gradual change in ownership by means of this revised policy on rights to exploit the resource. Meanwhile, Namibia’s fisheries policy is widely seen as a suitable strategy for enhancing value-added activities, whenever possible, by further processing the natural resource before export. However, notwithstanding considerable achievements, there are also less encouraging sides to the current policy of privatisation in Namibian hands.

There have been clashes of interests, even at the Ministerial level, due to opportunities for personal gain which conflict with a policy of redistribution of wealth and reduction of socio-economic imbalances and extreme income disparity. During the first half of 1999 the Minister of Fisheries and Marine Resources, in office since a reshuffle in December 1997 and highly respected as an efficient technocrat until then, accepted an informal (if not to say secret) ‘fundraising campaign’ in support of what ambitiously was declared his forthcoming ‘wedding of the millennium’. The main contributions were collected by a committee (headed by the wife of the Foreign Minister) among the fishing companies and totalled a six-digit amount. While these were all voluntary donations, their discovery resulted in public protest given the fact that the Minister himself tables the proposed fishing quota to be endorsed by Cabinet. While the ‘wedding of the millennium’ went ahead with the substantial material support of well-meaning business circles, the Office of the Ombudsman was tasked with conducting an enquiry. But the Head of State himself pre-empted the ongoing evaluation in mid-1999 by publicly exonerating the Minister from all allegations. When the Office of the Ombudsman presented its report to State House later that year, pointing to a conflict of interest, the document was not even officially acknowledged. The Minister remained in office even in the new legislative period.

In his overview on the occasion of Namibia’s first decade of Independence, Manning had already ended with a cautionary note by pointing out that it makes a difference who the main beneficiaries of the resource distribution inside Namibia are:

*Namibians, particularly those who live in extreme poverty, do not appear to be getting the extent of benefit from these resources that the policy indicates they should be receiving. Keeping adequate track of beneficial ownership of the companies is problematic, and that the power relationships within the industry are more important, from the perspective of distribution of resource rents, than is company ownership (Manning, 2000:69).*

In a subsequent study, Manning has drawn more attention to the excess profits (rent) extracted by the fishing industry:

*Available evidence points to substantial rents accruing to private companies in the fisheries sector, particularly in the hake fishery. These rents, if not collected by the Government, represent profits for
the industry in excess of normal profits. They are essentially a subsidy to the industry from a publicly owned resource. Estimates for rent earned during 1998 … in the hake, pilchard and horse mackerel fisheries based on Namibia’s national accounts, indicate that rent to the value of N$723 million is being earned by the private sector, assuming a 30% return on capital. In addition, there are other fisheries generating rent which have not been counted in this figure. There is also some evidence of prices for Namibian hake which suggests that some rent is accruing abroad and is not reflected in these figures (Manning, 2001:52).

The conclusions from the report can be briefly summarised as follows:¹

- By granting fishing rights quota to private enterprises, the Namibian Government is in effect allocating a surplus value from a natural resource to the individual beneficiaries. The market value of the fish caught within the quotas is considerably higher than the production costs, even when allowing for a generous profit margin;

- The fees paid to the government for the quotas are small compared with the surplus value. The fees have not been adjusted for the increase in N$ market prices for the last 8 years. In 1994 the levy for hake was 17% of landed value, in 2001 it is estimated at 5.4%);

- Namibian owned fishing enterprises enjoy lower levies than foreign owned companies. The highest levy in 1994 was 27% of landed value, the lowest about 7% for hake. Companies with Namibian majority ownership are given preference when quotas are allocated;

- Outright selling of fishing rights/quotas is illegal. Thus, de facto sales of quotas take place through the sales of shares in companies with allocations. A large number of mergers and acquisitions have taken place over the years, the net effect being that most quotas are now controlled by a number of companies with a small number of de facto owners (Manning, 2001:46).

Manning suggests that ‘the attempt to maintain a façade of a large number of newcomer companies operating in the industry … allows Government to claim success for its policy’, while complex company structures actually ‘hide, a much simpler reality … [the] massive consolidation of the industry into a handful of large conglomerations’ (Manning, 2001:53).

Through a complicated web of preferential shares, proxy ownership and cross-ownership the de facto Namibian control over the fishing industries remains low, with foreign owners remaining dominant. Using the opacity of actual ownership, the real proprietors have managed to maintain the fiction of Namibian ownership. This has the effect that almost all levies paid are at the lowest levy rates, thus reducing the Government’s income further.

Manning (2001) offers data about levies collected and the value of catches since 1994 (see opposite). The highest levy was 27% for hake in 1994. If this levy is applied to the landed value for all years after 1994, the uncollected levies can be calculated. After converting the values to constant 2001 Namibian Dollars (N$), the accumulated value 1994-2001 of this subsidy to the industry is about N$3.5 to 4bn, some 21.8bn for hake and about the same for the rest of the industry. The decline of an exchange rate from 0.28 to 0.12 US$ to the N$ between 1994 and 2001 in combination with an increase in hake catch from 124,000 tons to 210,000 tons in 1999 (estimated to remain constant for the next two years) resulted both in a considerable
increase of the hake price in N$ as well as total additional absolute income raising from US$113m (N$404m) in 1994 to an estimated US$189m (N$1575m) in 2001. It seems fair to assume that a great deal of this money has either found its way out of the country or has been spent outside the sector for purely consumptive purposes of local beneficiaries. Even managers of the foreign controlled fishing companies complain that their local ‘counterparts’ have only one interest: to strip the ‘joint venture’ of their share, instead of re-investing at least a portion of the profit into maintenance and purchase of productive new assets. However, the original policy intended a redistributing and poverty reducing effect. Arguably, it requires that the Government of Namibia takes action to control further the distribution and use of this rent in the public interest, if this ambition is to be met.

Policy Perspectives

To generate revenue for re-distributive purposes, levies could be adjusted back to their 1994 levels. Since the fishing industry has, through its ownership manipulations, made it impossible to say which companies are Namibian owned, the differentiated levies should be replaced by one level only, approximately 27% on the market value of all catches, which will give the Government an income of N$400 to 450 million per year. This could be done with immediate effect through a simple cabinet decision. There would be an outcry from the industry, of course, but such an action would have an immediate beneficial effect on the industry. With this new cost environment, the industry will quickly go through a restructuring phase where the determining factor will be efficiency in operations, not control over quotas. This would require, however, the support of cabinet members and other influential high-ranking political office bearers. However, given their direct or indirect role in ownership of the local companies and as shareholders in the fishing enterprises, this is a doubtful matter.

This may be the core of the problem, for while Government maintains that its fisheries policy aims to deliver redistribution and greater socio-economic benefit to the majority, insiders to the business are simultaneously shocked about the
degree of direct or indirect involvement of the political elite – both through the party and individually – in the appropriation of fisheries rents. As a local newspaper article maintained, ‘At least half of the Cabinet are said to have invested in the industry, in addition to Swapo’s involvement’ (The Namibian, 8 December 2000). So far, a declaration of assets by members of Parliament has been decided upon but not yet implemented.2

However, adjusting levies back to their 1994 levels would also defuse the whole ownership issue at least for those actually economically active within the industry. The Namibian parties in the fishing industry have felt increasingly cheated by foreign operators who, through their manipulations, have come to control the lion’s share of the rent surplus. With the levy back to a reasonable level, there is correspondingly less rent to fight over, and ownership in a rent-enjoying company will no longer be an option for those who want to get rich quick and effortlessly.

The Namibian Government’s response to the situation has been to order the expropriation of some fishing enterprises’ net value, to be redistributed to Namibian individuals and companies selected by the Minister of Fisheries. This is the net effect of the decision to issue quotas only to those companies that have a ‘joint venture’ with a local partner. This arrangement has numerous problems, the central one of which is credibility among potential investors. Whatever the intentions and rhetoric of the Government, the domestic and international business communities alike regard this as an illegal confiscation of shareholders’ value, or indeed as a clear case of extortion by the state in favour of a few individuals appointed on unclear grounds. This immediately increases the perceived investment risks for Namibia, and investment capital will avoid Namibia or demand higher returns. Another disadvantage is the resulting reinforcement of an already dangerously uneven distribution of incomes, by allocating large shareholder values to a number of individuals selected through political patronage. Other disadvantages include a weakening of the State’s fiscal position, as the fishing industry continues to collect practically all the surplus rent from fishing resources, while the continuation of this non-transparent ownership structure will ensure that the casino of fishing rights will also continue unhindered.

Namibia currently has the dubious claim to be both a (low) middle income country in terms of the average annual per capita income of its people, while at the same time competing for the reputation of having one of the highest Gini co-efficient (i.e. variance in the distribution of income) in the world. If the Namibian government seriously wants a solution to this scandal – and correspondingly to gain more credibility among the formerly colonised majority still waiting for the material benefits of Independence – it would have to address redistributive policy differently. In particular, to refrain from the current preferential treatment of a tiny local elite, which includes the policy makers themselves, in favour of a more inclusive group of beneficiaries.

The revenue income deriving from this proposal for higher fisheries levies could help to progress a programme of social transformation, provided that revenue income to the state is not channelled into more military interventions outside or along its borders; that it is not spent on further extravagant escapades like the building of a ‘heroes’ acre’, or for financing the construction of a pompous new state house complex. This social transformation could include a redistribution of income to the benefit of the disadvantaged majority.

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Endnotes

1. The following section is based on inputs from Olof Hesselmark, who also compiled the tables. Without his initiative this briefing paper would not have been drafted.

2. Namibia’s track record in anti-corruption initiatives is at best mixed, despite the fact that the overall ranking on the Transparency International Corruption Perceptions Index for 2001 is comparatively acceptable. Out of 91 countries, Namibia is ranked as the second African country after Botswana as number 30, with a rating of 5.4. This translates into having a corruption problem (*The Namibian*, 25 January 2002), confirmed by a *Newsweek* article of 29 April 2002, which reports that Namibia had in the most recent corruption barometer by Transparency International been demoted from the ‘filthy’ to the ‘dirty’ category.

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**Nationalism in Africa: Ghana’s Presidential Elections**

Michael Amoah

This briefing provides a concise yet comprehensive analysis of the Ghanaian multiparty presidential elections held in December 2000. It also documents the ethnonational patterns which emerged from the election as the political wisdom of the election dictated that each vice-presidential candidate for the four top parties should be a Northerner. The analysis also reveals the main contributory element to Kufour’s victory during the second round ballot, notably the Mahama factor. That said, it would appear that although the theories of nationalism spell out a mutual conflict between ethnonationalism and political nationalism in multinational states, this briefing highlights the paradox that the two equate with each other within the realities of the local political rationality in Ghana, and perhaps in many other African countries.

Why ethnonationalism instead of political nationalism should be the rational choice for the majority of Ghanaians is as the unending debate between positivistic and antipositivistic social science. The distinction between the two is that the former is considered more as quantitative, rational and objective, and tends to characterise the latter as qualitative, subjective and irrational. But of course the anti-positivist school, which sets out to understand the interpretations of behaviour as given by those under study, regards positivism with the cynicisms of majoring on generalisations, having the characteristic of not penetrating what lies behind social reality and people’s deliberate intentions or actions, and therefore not revealing ultimate truth. This comes nearer to explaining the rationality paradox whereby although mainstream theorising would deem political nationalism as the rational choice, in reality, ethnonationalism has become the ra-
tional choice for the majority of citizens in many multinational states in Africa.

The Rationalisation of Ethnonationalism

Briefly, ethnonationalism is the form of nationalism demonstrated in solidarity with, or towards one’s ethnonational identity group; political nationalism is patriotism towards the state institution. The latter is deemed to be rational and the former sentimental (Hutchinson, 1994:42 & 43; Kellas 1991:51 & 52).

In a nation-state, ethnonationalism equates with political nationalism in both theory and practice. But where more than one ethnonational group co-exist – as in a multinational state – ethnonationalism and political nationalism are mutually conflicting phenomena, one becoming more prominent at the expense of the other. In multi-national Ghana for example, the two blatantly different forms of nationalism seem to equate with each other as citizens demonstrate ethno-nationalism as their political nationalism within the realities of the local political rationality (Amoah, 2001:2). It would appear therefore that the mutual conflict theoretically posited between ethnonationalism and political nationalism, is not universally demonstrable, and that, within the rationality of the context of some African politics, and Ghanaian politics in particular, the two nationalistic attitudes synchronise rather than stand at odds with each other (Ibid. pp. 2-3). For the majority of Ghanaians, the true way of being a political nationalist is to be ethnonationalist, and this is the rational response to figuration or politics-of-the-belly, summarised here as: a status quo of unequal distribution and accumulation of public opportunity and wealth, in which a system of social inequality operates through the political interdependence of allies (or opponents) within the political arena, along tribal or clientelistic contours, and supervised by the State (Ibid. pp. 5, 143-6; Elias, 1978:130; Bayart, 1993: ix-x, 55). Simply put, voters would make political choices skewed towards the interests of their ethnonational group to reciprocate figuration in what can be described as the rationalisation of ethnonationalism. Patrick Chabal and Jean-Pascal Daloz have already pointed out how reasonable, efficient and persistent figuration has become, because it works for the purposes of those who gain from the mutual beneficence of the patron-client relationship within the multinational context in any African state where the phenomenon demonstrates (Chabal and Daloz, 1999:104).

The Political Landscape

As of 31 July 1999, the following parties had registered with the Electoral Commission and been issued with certificates: the ruling National Democratic Congress (NDC); the main Opposition New Patriotic Party (NPP); The People’s National Convention (PNC); The Convention People’s Party (CPP); The National Reform Party (NRP); Democratic People’s Party (DPP); Every Ghanaian Living Everywhere (EGLE) Party; Great Consolidated Popular Party (GCPP) and, The United Ghana Movement (UGM). Among the presidential candidates, the main competition was between the incumbent NDC’s John Ata Mills and the Opposition NPP’s John Agyekum Kufour.

A somewhat broad Akan versus non-Akan pattern has ensued in previous Ghanaian politics. The pinpoint explanation for this is not totally clear, and is to be sought from within the perceptions of Ghanaians embedded in a combination of responses to figuration and the associated patrimonialism, political events of the recent past, and even myths of origin. Any mutual antagonism between the Ashanti and Ewe is largely post-colonial, and accentuated itself to a higher level when one political stalwart of the Ashanti-led Danquah-Busia tradition – the late Victor Owusu, bellowed in the Parliament of the Second Republic, that Ewes
were nepotistic and inward-looking (Smock & Smock, 1975:247; Lentz & Nugent, 2000:24). This was when Busia was Prime Minister and leader of the ruling Progress Party (PP).

This Ashanti-Ewe mutual antagonism however reached its height during the so-called Ewe-led P/NDC era when Akans in general and Ashantis in particular, felt that the ensuing figuration had worked to their deficiency, especially when the strategic ethnic arithmetic (Nugent, 1995:43) had been heavily skewed towards the Ewes of Rawlings (Adjei, 1994:262; Herbst, 1993:86-87; Yeebo, 1992:52; Ayee, 1999:246) and also, when 94.5% of the Ewe-dominated Volta Region voted for Rawlings during the 1996 presidential elections (Nugent, 1999:306). Likewise, the P/NDC felt that figuration during the 27-month Busia administration of the Second Republic (1969-72) benefited the Danquah-Busia political tradition – a view declared by former president Rawlings at a rally in Bolgatanga.\(^1\) No doubt there is no ancient enmity between Ewes and Ashantis (Nugent, 1999:307-308). It is unmistakable therefore, that political events leading to independence and which have touched on any sensitivities and insecurities of both ethnonational groups, exert the most important influence on the state of this mutual antagonism, sometimes leading to the invocation of myths of origin to explain present patterns in the forms of nationalism.

**Unwinding the ‘Culture of Silence’**

From the latter half of the last four-year term, the feeling amongst Ghanaians was that it would be right to vote out the incumbent and give way to a fresh administration. But the expression to this feeling was still not full-blown, thanks to the effects of the ‘culture of silence’; it would take some of the time in the run up to the elections for this feeling to become publicly buoyant as the momentum for free political expression gradually regained itself. The phrase ‘culture of silence’ derives from a speech given by Rawlings in Sunyani, in April 1987, to describe the development of a political culture lacking in the freedom of political expression (Boahen, 1989:1&54). Ghana had been under oppressive and repressive military rule from 1981 until 1992 when multi-party democracy resumed. Although the ‘culture of silence’ had been waning since 1992 because the dust of political intimidation had not fully settled, freedom of political expression was not to be fully exercised.

The ‘culture of silence’ would be demonstrated in any variety of ways including: a) refusal to air views critical to the government for fear of political intimidation through detention, liquidation of assets, or molestation; b) murmuring instead of a positive declaration of opinion; c) selective media coverage owing to media fear to air views critical to government. Some media houses, for example, the *Catholic Standard* and the *Free Press* had closed down as a result of governmental harassment; d) silence, apathy and indifference – owing to any of the above – as protest against government, rather than organised demonstrations or media backlash; e) a prevailing state of anomie, alienation and lack of freedom of association (Boahen, 1989:51-8). Obviously, unwinding the culture of silence was necessary for the full freedom of expression, political association and, of course, national political development (Ibid. pp.67-68); this became automatic once the majority of citizens had made up their minds to desert the incumbent government.

**Results of the First Round**

As neither Mills nor Kufour won a clear majority for a one-off victory, a run-off between the two candidates became necessary. In the first round ballot held on 7 December, 44.5% of the votes went to Mills and 48.2% to Kufour. Dan Lartey, the GCPP presidential candidate, polled
The CPP’s Professor George Hagan polled 1.8% of the countrywide vote and 3.19% of votes cast in the Central Region. Hagan was not a real threat to Mills despite any panic which his candidacy may have aroused in the Mills camp. Goosie Tanoh also won 1.2% of countrywide votes, and his candidacy did not detract significantly from the NDC’s votes despite being leader of the NRM which broke away from the former. Charles Wereko-Brobbey also won only 0.3% of the countrywide vote, and did not detract a significant fraction of votes from the NPP despite being leader of the UGM which broke away from the former. Edward Mahama of the PNC won 2.9% of the countrywide vote but polled substantially from the three Regions in Northern Ghana. He bagged 8.12% of votes cast in Northern Region, 22.46% in Upper-East Region and 15.57% in Upper-West Region, an occurrence which can be attributed to his Northern Ghana roots, his hometown being Nanlerigu. Clearly, Mahama’s candidacy detracted significant votes from the major candidates, as would be discussed shortly. That noted, it is clear that the first round of the elections was largely a two-horse race between Mills and Kufour. Voter turn out for the first round was 59.2% as against 77% for 1996. Altogether, 6.46 million out of 10.67 million registered voters voted from any of 20,112 polling stations.3

Ethnonational Patterns

Some ethnonational patterns emerge from the election results. In the first round ballot, 75.55% of votes in the Ashanti Region went to Kufour and 22.73% went to Mills; 88.81% of votes cast in the Volta Region went to Mills, and 6.94% to Kufour. The incumbent president and Ewe Rawlings was no longer a candidate, but because he remained the leader of the NDC, Mills’ Akan-Fanti background did not deter the Ewe-dominated Volta Region from delivering their vote to the NDC owing to the Rawlings factor. Besides, Ewes largely preferred to vote for the Fanti Mills rather than Ashanti Kufour, a phenomenon which characterises the nature of the mutual antagonism between Ewes and Ashantis. The general pattern of votes in the Ga-Adangbe-dominated Greater Accra Region is not as skewed as the gap between election results for the two candidates in the Ashanti and Volta Regions. Mills won 43.21% of the votes in the Greater-Accra region and Kufour won 53.18% – a 10% difference.

The majority of votes from Northern Ghana went to the NDC, in response to the party’s heeding of the request from leading voices in Northern Ghana to field a vice-presidential candidate from the area. Notably, the NDC set a precedent among the parties by nominating a candidate from Northern Ghana as their running mate for the presidency. As the election drama would unfold, final vote counts from the Regions in Southern Ghana trickled into the Electoral Commission much earlier than those from Northern Ghana, and it would appear that Kufour was maintaining a clear lead until vote counts from Northern Ghana were finalised and added to the total. It is clear that Northern Ghana votes contributed to Mills closing the gap with Kufour, and prevented the latter from maintaining a clear lead in the first round ballot.

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Valid votes</th>
<th>Vote%</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Kufour</td>
<td>3,131,739</td>
<td>48.2</td>
</tr>
<tr>
<td>John Ata Mills</td>
<td>2,895,575</td>
<td>44.5</td>
</tr>
<tr>
<td>Edward Mahama</td>
<td>189,659</td>
<td>2.9</td>
</tr>
<tr>
<td>George Hagan</td>
<td>115,641</td>
<td>1.8</td>
</tr>
<tr>
<td>Goosie Tanoh</td>
<td>78,629</td>
<td>1.2</td>
</tr>
<tr>
<td>Dan Lartey</td>
<td>67,504</td>
<td>1.0</td>
</tr>
<tr>
<td>Charles Wereko-Brobbey</td>
<td>22,123</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total valid votes</strong></td>
<td><strong>6,500,870</strong></td>
<td><strong>99.9</strong></td>
</tr>
</tbody>
</table>

**Source:** Electoral Commission of Ghana
The results in Table 3 reveal that Mills had 50.75% of votes in Northern Region, 52.13% in Upper East Region, and 62.29% in Upper-West Region, whereas Kufuor polled 29.58%, 18.58 and 15.51% respectively in these three Regions of Northern Ghana. It is interesting to note that Dr Edward Mahama, the presidential candidate of a comparatively insignificant party – the PNC, beat Kufour in the Upper-East and Upper-West Regions by winning 22.46% and 15.57% of the votes respectively. Table 3 (over) further reveals that any election threat the NRP posed to the NDC was not as serious as imagined, since Tanoh – the NRP candidate, only managed to attract snippets of the countrywide votes.

The Run-off

Soon after the elections, at least four of the opposition parties – PNC, NRP, UGM and CPP – pledged their support for Kufuor in the second round.3 This seems to have made a lot of difference, in that, for example, Edward Mahama’s Northern Ghana votes would now be directed towards Kufuor. As the results in Table 4 (over) reveal, Kufuor performed much better in Northern Ghana during the second round ballot held on 28 December. Although Mills won 51.10%, 57.17% and 61.97% of votes in the Northern, Upper-West and Upper-East regions respectively, Kufuor won 48.90%, 42.83% and 38.03%. Clearly there was a significant improvement in Kufuor’s performance in the three regions during the run-off in comparison with his votes during first round ballot – 29.58%, 18.58 and 15.51% respectively. Given that, in both first and second round ballots, Kufuor won in each region with the exception of the three in Northern Ghana – and of course Volta Region in Southern Ghana, the strategic improvement in his Northern Ghana performance made a significant contribution to his final victory. A comparison between the first and second round ballots indicate that Mills’ countrywide total decreased by a mere 1.7%, whereas Kufuor’s increased by 7.46%. As there does not seem to be significant differences in Mills’ performance in the Northern, Upper-East and Upper-West Regions between the first and second round ballots 50.75% (51.10%), 52.13% (57.17%) and 62.29% (61.97%) – run-off results in parenthesis, it is quite clear that Kufuor gained substantially from Edward Mahama’s pledge of support, among other things, during the run-off.

Further analyses of the data reveal that the Volta Region’s overall support for the NDC in both rounds hardly changed: 88.81% (88.47%) but votes won by Kufuor from the same Region increased: 6.94% (11.53%), perhaps due to gains from the coalition of opposition parties within the Region. Nevertheless, the staunch support of the Ewe-dominated Region for the

Table 2: 2000 First Round Presidential Ballot (Selected Results)

<table>
<thead>
<tr>
<th>Region</th>
<th>Mills %</th>
<th>Kufour %</th>
<th>Mahama %</th>
<th>Tanoh %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashanti</td>
<td>286,017 22.73</td>
<td>950,602 75.55</td>
<td>3,138 0.25</td>
<td>4,420 0.35</td>
</tr>
<tr>
<td>B-Ahafo</td>
<td>270,465 44.64</td>
<td>306,512 50.59</td>
<td>10,447 1.72</td>
<td>6,634 1.09</td>
</tr>
<tr>
<td>Central</td>
<td>237,227 43.73</td>
<td>269,501 49.68</td>
<td>2,791 0.51</td>
<td>7,291 1.34</td>
</tr>
<tr>
<td>Eastern</td>
<td>308,047 41.34</td>
<td>409,635 54.97</td>
<td>4,525 0.61</td>
<td>7,738 1.04</td>
</tr>
<tr>
<td>G-Accra</td>
<td>467,017 43.21</td>
<td>574,737 53.18</td>
<td>2,927 0.27</td>
<td>15,423 1.43</td>
</tr>
<tr>
<td>Northern</td>
<td>286,211 50.75</td>
<td>166,827 29.58</td>
<td>45,804 8.12</td>
<td>12,990 0.23</td>
</tr>
<tr>
<td>U-East</td>
<td>125,753 52.13</td>
<td>44,829 18.58</td>
<td>54,185 22.46</td>
<td>4,887 2.03</td>
</tr>
<tr>
<td>U-West</td>
<td>111,345 62.29</td>
<td>27,714 15.51</td>
<td>27,824 15.57</td>
<td>4,295 2.40</td>
</tr>
<tr>
<td>Volta</td>
<td>506,614 88.81</td>
<td>39,535 6.94</td>
<td>1,905 0.33</td>
<td>3,182 0.56</td>
</tr>
<tr>
<td>Western</td>
<td>273,355 43.93</td>
<td>314,501 50.54</td>
<td>4,873 2.90</td>
<td>4,735 0.76</td>
</tr>
<tr>
<td>Total</td>
<td>2,871,051 44.8</td>
<td>3,104,393 48.44</td>
<td>158,419 2.5</td>
<td>71,595 1.1</td>
</tr>
</tbody>
</table>

Source: GRI Newsreel 11/12/00; http://www.ghanareview.com
NDC should not be missed. In a similar vein, Kufour’s votes from the Ashanti Region during the run-off increased: 75.55% (79.89%) while Mills’ votes decreased: 22.73% (20.11%). Once again, the Ewe-Ashanti mutual antagonism repeated itself in the polarity of voting patterns between the Volta and Ashanti Regions. The second round results in the Greater-Accra Region indicate that Mills’ votes decreased slightly: 43.21% (40.5%) while Kufuor’s votes increased: 53.18% (59.95%). It should also be pointed out that there is no constant relationship between election fever indicators and actual result on voting day as the story unfolded from electoral attitudes from Yilo Krobo in the Eastern Region. The media highlighted the pre-election fever of the Yilo Krobos and their general determination to switch camp from the NDC to NPP. However, the election results of Yilo Krobo constituency in Table 4 reveals that Mills won 54.3% of votes counted whereas Kufuor won 45.7%. The results further reveal that only 51.2% of registered voters in the constituency voted during the run-off. For a place classified as an NDC safe area, the NDC’s performance was rather poor. However, the point is made that the pre-election popular outcry ‘to ignore the NDC’s vain promises and test the NPP for the next four years come December 2000 elections’ did not translate into reality. It is also worth noting from the results that the Krobo area (including Lower and Upper Manya Krobo) generally voted in favour of the NDC candidate Mills.

### The Future

It will be interesting to see what patterns emerge from the 2004 general elections. The political landscape as well as context would obviously be different, and the Ashanti-Ewe relationship may not be as acutely antagonistic or at its head, whether because it may no longer be either strategic or possible for one or the other ethnonational group to compete, or that ethnonational politics could be taking a different twist or depreciating in real terms. Should ethnonationalism play a lesser role in electioneering than it has in the past, then any emerging ethnonational patterns from 2004’s elections would be more likely seen as happenstance rather than engineered. What both incumbent and opposition politicians would have to battle with in 2004 is perhaps apathy. Many citizens who are disappointed at the government’s performance so far may simply abstain which would cost the NPP. Others who may not want to waste their vote on the NDC would simply abstain.

<table>
<thead>
<tr>
<th>Regions</th>
<th>John Kufour Voted</th>
<th>%</th>
<th>John Ata Mills Voted</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashanti</td>
<td>1,027,132</td>
<td>79.89</td>
<td>258,623</td>
<td>20.11</td>
</tr>
<tr>
<td>B-Ahafo</td>
<td>342,961</td>
<td>58.30</td>
<td>245,300</td>
<td>41.70</td>
</tr>
<tr>
<td>Central</td>
<td>302,411</td>
<td>60.31</td>
<td>199,006</td>
<td>39.69</td>
</tr>
<tr>
<td>Eastern</td>
<td>447,154</td>
<td>62.41</td>
<td>269,270</td>
<td>37.59</td>
</tr>
<tr>
<td>G-Accra</td>
<td>631,506</td>
<td>59.95</td>
<td>421,954</td>
<td>40.05</td>
</tr>
<tr>
<td>Northern</td>
<td>265,076</td>
<td>48.90</td>
<td>277,038</td>
<td>51.10</td>
</tr>
<tr>
<td>U-East</td>
<td>115,880</td>
<td>42.83</td>
<td>154,703</td>
<td>57.17</td>
</tr>
<tr>
<td>U-West</td>
<td>64,163</td>
<td>38.03</td>
<td>104,533</td>
<td>61.97</td>
</tr>
<tr>
<td>Volta</td>
<td>76,839</td>
<td>11.53</td>
<td>589,719</td>
<td>88.47</td>
</tr>
<tr>
<td>Western</td>
<td>358,138</td>
<td>60.90</td>
<td>299,978</td>
<td>39.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,631,263</strong></td>
<td><strong>56.9</strong></td>
<td><strong>2,750,124</strong></td>
<td><strong>43.1</strong></td>
</tr>
</tbody>
</table>

Registered voters nationwide: 10,678,652
Valid vote count: 6,381,387
Constituency count: 200 of 200

**Source:** Electoral Commission of Ghana
Conclusion

Rationalisation of ethnonationalism can be recognised in Africa and would persist longer in some parts than others depending on the evolution of a country’s political context. Whether this is a response to figuration is immaterial to the post-colonial multinational state in Africa’s dilemma in creating ‘the necessary matrix for the gestation of national loyalties’ (Smith, 1991:59), or completing the nation-state project to subjugate separate national identities under a single incubator state for the gestation of new nationhood (Ibid.) in order to achieve a state of national homogeneity – where the political and national units will coincide (Chazan, 1991:1; Gellner, 1983:1). It must be said that the nation-state project is achievable within the understanding that whereas national homogeneity is a tall order for any new multi-national state, ethnonational heterogeneity is not an obstacle to the attainment of national identity for, as well as within, the post-colonial state. In other words, modern Ghana is a nation and citizens within the Ghanaian state share a unique and peculiar identity beyond similar nationality irrespective of ethnonational heterogeneity.

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Table 4: Selected Run-off Results by constituencies: Eastern Region

<table>
<thead>
<tr>
<th>Constituencies</th>
<th>Mills %</th>
<th>Kufour %</th>
<th>Total</th>
<th>Reg. voters</th>
<th>Voted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower</td>
<td>12,336</td>
<td>53.4</td>
<td>10,771</td>
<td>23,107</td>
<td>49.4%</td>
</tr>
<tr>
<td>Manya-Krobo Upper</td>
<td>11,165</td>
<td>68.3</td>
<td>5,192</td>
<td>16,357</td>
<td>44.8%</td>
</tr>
<tr>
<td>Yilo Krobo</td>
<td>13,673</td>
<td>54.3</td>
<td>11,494</td>
<td>49,834</td>
<td>51.2%</td>
</tr>
</tbody>
</table>

Source: Electoral Commission of Ghana

Endnotes


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Cross River State in Nigeria’s southeast contains the country’s last major blocks of tropical high forest. Facilitated by the UK’s aid agency, the Department for International Development (DFID, then called the Overseas Development Administration, ODA), the State was probably the first in tropical Africa in the early 1990s, followed by Cameroon, to pioneer de-centralised forest management (community forestry) through empowering village authorities to manage more sustainably forests inside village boundaries (the forest commons now known as ‘community forests’); from the mid-1990s the State was probably the first in humid forest Africa to generate a widespread movement by village youth and a few state level elites against illegal logging. Currently, the State is home to an hitherto ‘invisible’ (un-noted by donors and non-government organisations, NGOS) tropical African first: village women’s resistance to men’s alienation of large forest blocks from whose ranges they gather many non-timber forest products (NTFPs) that constitute the bulk of their families’ means of subsistence and income generation.

Despite some achievement, donor and government statements asserting the unqualified ‘success’ of de-centralised community forest management in promoting forest conservation are largely platitudes ‘spun’ by some officials to secure international compliance while timber companies and government officials – including the highest office holder in the country – participate in the clear felling of Nigeria’s last tropical high forest, its wonderful flora and fauna, as well as its invaluable and unique role in protecting soils, watersheds and the livelihoods of over 1.5 million poor Cross Riverians. The reality is massive de-forestation; it is also un-
regulated with increasingly destructive dry season bush burning by farmers eager to convert forest into farms.

This briefing asks: is community forestry in part a donor facilitated ‘mask’ that conceals ‘real’ economic interests at work: the political elite’s personal and government financial gain through ruthless and rapid deforestation at the expense of the environment and the forest-dependent livelihoods of the poor rural majority? Is the opposition – dynamic but hitherto discontinuous, largely involving village youth and latterly women with some elite support – the face of a popular cross-class/ethnic group resistance to the destruction by global capital and Nigerian allies of local natural resources, forest-dependent livelihoods and human resources – e.g. people’s forest skills, knowledge of plants and genetic materials that is important to cultural identity, and personal meaning?

In what follows I use my knowledge and grassroots experience of NGO engagement in community forestry for the conservation of bio-diversity and poor people’s forest-dependent livelihoods to explore this structural contradiction between aid (‘soft’) and commercial (‘hard’) arms of the ‘global state’. On the one hand, it manifests at the local level in aid for community forestry as well as in timber companies’ massive illegal logging; thus villagers doubly linked into the global economy. On the other hand, ‘global state’ players mesh through international political and commercial institutions as the UN, G8 and Club of Rome economic summits, research centres of ‘corporate governance’ and ‘international economic development’ and international aid consultants.

**Epi-centres of Illegal Logging**

Prior to government-funded clear felling, illegal logging in the State was largely orchestrated by the Chinese owned company WEMPCO and its government allies through local sub-contractors. In 2001 senior officials working for the UK (DFID) funded Community Forestry Project in Calabar, the capital of the state, estimated that nine out of ten trees felled daily were cut down illegally in excess of quotas.

Since 1999, when Nigeria’s first civilian regime for sixteen years was elected, illegal logging has grown exponentially: it involves the highest office holders in the Federal Republic including reportedly the President himself, as well as the Governor of Cross River State, major government ministries including the Forestry Commission, and now threatens the entire forest estate including forests officially enclosed in the Cross River National Park. Illegal logging and bush burning threaten to remove up to 2,000 km² tropical forest in 2002, over 8,000 km² of Nigeria’s last tropical rain forest and over 1,000 species of plants as well as endangered animals (forest elephant, drill, Preuss Guenon monkey) within the next 3-5 years.²

Currently, illegal logging in the state has four epi-centres: 1) The southern Oban Hills and Ekang Anaku Forest Reserves east of Calabar; 2) Community forests in the state’s centre west of Ikom town as Bendeghe Afi, Iso-Bendeghe, Boje; 3) Community forests east of Ikom town such as Danare, Okuni, Abontakon; 4) Forests to the north of Ikom. 5) A fifth epi-centre, sponsored by wealthy Nigerians is developing in the southwestern tip of the Takamanda Forest Reserve (Cameroon) contiguous with the Cross River National Park.

**Opposition to Illegal Logging**

The African Research Association’s community action project Development in Nigeria (DIN), has worked in Cross River State since 1996 for forest conservation and sustainable development. In response to the ever-growing threat posed by the civilian regime’s pursuit of personal financial profit by selling off large tracts of
rain forest to timber companies, its clients and political friends, DIN is now in partnership with the Calabar-based NGO Rainforest Resource and Development Centre (RRDC) led by Odey Oyama. The two NGOs are also in partnership with the Dutch NGO ENDS and a Cameroonian NGO called Centre for Environmental Development (CED). In the mid-1990s Oyama and some associates (i.e. Oronto Douglas and Odigha Odigha) spearheaded a movement called ‘Ikom Conscience’ that opposed the establishment of the Chinese logging company, WEMPCO, at Ikom on the Cross River in the centre of the state. WEMPCO was established in 1996 in close alliance with the Cross River State Government and a succession of Governors. Subsequently, Ikom Conscience collapsed – infiltrated by WEMPCO and weakened by a lack of support from other NGOs and CBOs who were divided and co-opted both by WEMPCO and by the poorly funded state government (Encyclopedia of Sustainability, 2002).

Throughout the 1990s, most local NGOs adopted the ruling (participatory) ideology that sustainable forestry begins and ends with village communities: some donors do advise NGOs critical of illegal logging that forest politics is ‘a sovereignty issue’ that they must avoid. Notwithstanding some transfer of technical forest management skills, community forestry is being accompanied by even more rapid deforestation because the state and federal levels, where the real decision-making between government, timber companies and their intermediaries takes place, is excluded from project aid. The political class (e.g. senior management in the Forestry Commission, the Commission for Environmental Protection, the Ministry of Agriculture) know that timber felled legally is a major revenue earner for the State (and its timber company and contractor allies) while timber felled illegally is a major income generator for senior officials. Everyone also knows that in an oil dependent economy pivoting on trade and exchange with manufacturing operating at less than 20% of capacity, securing government or political office is the educated man’s [sic] best chance of earning (illicitly) money through ‘contracts’ and ‘commissions’.

Resistance to illegal logging is thus rendered difficult by community forestry projects that exclude the ‘real’ politics of forestry, forest use decision-making at the state, federal and international levels. However, unintentionally, community forestry legitimises the (dominant) political class’s monopoly of villagers’ forest commons. Thus this much vaunted vehicle of village level democracy and accountability reproduce the (dependent) class position of the impoverished rural majority in the national and international political economy.

Livelihoods at Risk

DIN’s socio-economic and household observation and monitoring surveys in seven forest and forest-edge villages in northern Cross River State and the contiguous Takamanda Forest Reserve (Cameroon) show that rural people in the north of the state depend upon the forests for up to 78% of annual household cash income by harvesting and selling bush mango (*Irvingia gabonensis*) seeds and afang (*Gnetum africana*) leaves as well as some bush meat. The same surveys show that in 1999 average per capita cash income in three northern forest villages close to roads was $41, $53 and $77 respectively, far below Nigeria’s official average per capita income in 1999 of $230. Cash income in villages far from roads (e.g. Takamanda Forest Reserve) was even lower (Abua et al. 2001; Ifeka & Abua, 1999).

Trends in Tropical High Forests

In the early 1990s ODA (now DFID) collaborated with the State Forestry Department and sponsored an enterprising and innovative project to decentralise
Illegal Logging & Forest Women’s Resistance

forest management, inspired by ODA and the Australian Development Assistance Bureau (ADAB) funded community forestry programme in Nepal and facilitated by Tunde Morakinyo’s pilot community forestry project at Old Ekuri in the south of the State. DFID withdrew in implementing the ideal of community forestry management in 1994-5. However, after the collapse of Ikom Conscience, and the establishment of WEMPCO at Ikom in the late 1990s, DFID returned to develop with the State Forestry Commission the current community forestry management project. At the same time, the newly elected civilian government promoted the Export Processing Zone at Calabar in the south of the State, and gave many concessions to local timber companies in breach of forest laws and sustainable logging quotas. Government officials, by and large, are more interested in short term personal gain than in long term sustainable forestry for the benefit of the environment and 1.5 million people with forest dependent livelihoods.

Some people say the Cross River State Government is ‘finishing’ the forest and calling it ‘development’. Some examples of ‘go finish ‘um all’ practices at the village, state and federal levels are given below.

- Certain chiefs, elders and youth in Ikom (central Cross River State) villages are said to receive ‘brown envelopes’ from state government officials to support illegal logging in village (community) forests;

- In the Oban Hills and Ekang Anaku Forest Reserves, in southern Cross River State, close to Calabar, clear felling is allegedly funded by the highest office holder in Nigeria as well as by state government officials for private farms and ‘government’-owned plantations. Reportedly, Nigeria’s President sent the equivalent in Naira of $0.5 million to the State Governor’s office – the first tranche of a $2 million project – to fund clear felling for his ‘Oban’ (i.e. Obasanjo) Farms and probably to fund clear felling currently underway in the Oban Forest Reserve (southern Cross River) and Ekukenela Community Forest. Forty chain saw operators in the employ of the State Government are now clear felling 10,000 hectares of primary forest in Oban Forest Reserve. (This forest functions as a watershed for the southeastern Nigeria-Cameroon border area and constitutes a major buffer zone for the Cross River [Nigeria] and Korup [Cameroon] National Parks).

- At the same time illegal logging approved by state government officials may be intended to establish a few thousand km² of oil palm and other plantations (rubber, cashew, pineapple) across southern and central Cross River State for the state’s ‘economic development’. However, informants suggest that the existence of old oil palm plantations with abundant bush land for additional planting, means that in their view new plantations are a cover for officials and politicians to profit personally from the sale of valuable hardwood timber logged in these forests.

At the regional (Nigeria-Cameroon level) illegal logging has developed in the past year in a fifth tropical rainforest epicentre, the Takamanda Forest Reserve (Cameroon) contiguous to the Cross River National Park (Nigeria). Preparations are being made for rafting out during this rainy season enormous planks down the Cross River to beaches north of Ikom where WEMPCO has its huge timber processing factory. This traffic in precious cedar, mahogany, iroko and camwood is apparently spear-headed by wealthy Nigerians including northern Hausas.
The State Governor of Cross River State is reportedly working closely with Malaysian palm oil corporations as well as with Malaysian and Chinese timber companies. But the extent of Asian investment, the extent of the State Governor’s financial gain, the extent of the area in km of tropical high forests alienated to Asian companies but over which rural people exercise customary rights, the real purpose of the alienation, and for how many years – all this and more is not yet known.

**Tropical & Temperate Pillaging**

Despite protestation to the contrary, the political class is disinterested in habitat and wild life conservation – except perhaps for their own personal entertainment – and profit. A new ‘dividend of democracy’ to adopt a popular Nigerian phrase, is the political class’s financial ability to construct and populate personal zoos with endangered birds, mammals and amphibians. Wild animals – giraffes, lions, antelopes, zebras, ostriches – are freighted in Nigerian military aircraft from South Africa to Abuja and Kano. One or two ‘big men’ in Calabar now have zoos that charge entry fees and some very senior government officials in Abuja also keep wild animals in cages in their compounds.

State and federal elites are also allegedly trafficking in tropical forest endangered species such as the African grey parrot, the drill, and various monkeys which are captured in Cameroonian forests and transported into Nigeria. Much of this trade seems to be organised by wealthy Hausa politicians from northern Nigeria in what is obviously a lucrative trade. According to press reports, Kano is a significant base for this traffic which targets European as well as West African markets.

**Village Women’s Resistance**

Paradoxically, grassroots opposition is often at its most intense in villages where the DFID community forestry project has been working most vigorously. The Forestry Commission and the DFID Community Forestry Management Project acknowledge youth’s periodic ‘wars’ against project and Park staff, but seem (gender?) blind to growing resistance by an even more marginalised social category – women from the poorest two-thirds of households – who object to forest alienation and clear felling. Women do most of the farming and non-timber forest products harvesting, but in many forest edge villages they are a politically and jurally subordinated category; they are denied customary rights to own and manage land cleared inside thick forests that their sisters in more remote tropical high forest villages still claim and enforce.

Forest women’s resistance seems to have begun in the late 1990s, in Okuni, a large village on the Cross River, near Ikom, where youth were most militant in the mid-1990s in their mobilisation against WEMPCO and illegal logging, and where Odey Oyama’s NGO (RRDC), the most vigorous inheritor of Ikom Conscience’s radical activist mantle, has continued to work. Women in this village have been on strike for two years against participating in forest management and other village level (male dominated) committees, because they do not agree with literate men’s complicity in ‘agreements’ with local timber companies and government that involve the sale of the majority of their forests – for a pittance.

Our NGOs are committed to working with women in these villages. Women’s resistance could prove to be a key force for the growth of more effective and sustainable village forest and land use management committees that are well informed about their forest rights in regard to their own (village) forest com-
mons, as well as their rights as Nigerian citizens to demand sustainable use of the State’s Forest Reserves and a total ban on all logging in forests enclosed in the Federal Government’s Cross River National Park.

**Building NGO Coalitions**

NGO coalitions, linkage building and other forms of alliance formation nationally and internationally are urgently required so local conservation NGOs’ political and financial weaknesses might be offset. Likewise, we encourage our poor community partners to work together in groups while they learn new forest watch and income generating techniques and acquire new strengths, i.e. knowledge of forest laws and the rights of communities vis-à-vis their forests to counter disadvantages as lack of funds, lack of knowledge of government’s intentions, and lack of elite contacts.

**Conclusion**

At the local level, these events demonstrate the crucial importance of a new approach to sustainable forestry – one which abandons the participatory practice of ‘community forestry management’ by NGOs in partnership with local literate elites, and which opts rather for a more truly participatory and radical two-pronged strategy of mobilising village youth and women (literate and illiterate) as well as lobbying and advocacy at the State, Federal and international levels.

Large not-for-profit aid donors (such as DFID and the EU, and conservation agencies as WWF and GTZ) work through the Federal and State Government, as do profit based transnational corporations including timber companies. It seems that too often the real beneficiaries of community forestry project aid are the political class whose status, management skills, and power over semi-literate and illiterate people, especially women, is enhanced as well as their income. Activist NGOs, networking with local and international partners in campaigns against illegal logging, need to be analytical, to identify weak points in relations between the aid (‘soft’) and commercial (‘hard’) arms of global capital and to target these ‘soft’ spaces for village mobilisation, advocacy and lobbying against illegal logging. In Cross River State this currently means working closely not just with youth but more strategically with women - mothers, wives, daughters and sisters, reproducers and producers in the subsistence household economy and its integration into the wider market economy through women’s cash transactions in NTFPs and farm products.

Though ‘unseen’ by donors and government, it is women (as well as youth) who are articulating resistance to forest-dependent livelihood loss through alienation of the forest commons.

**Endnotes**

1. Community forestry organised by donors in participation with state forestry departments and village authorities commenced in Africa in dry land areas with severe fuel wood crises. In Africa community forestry management began in the Sahel in response to the growing realisation that: a) indigenous people were often involved in managing their forest commons, and b) tree planting could not generate the biomass needed to overcome ever-increasing shortages of fuelwood. The UK-based NGO, SOS Sahel, was probably the first to begin promoting the idea of decentralised forest management by villagers in partnership with government forestry departments and donors. SOS Sahel began this work in Niger and other dry forest states in the early 1980s with Dr Gill Shepherd (ODI, London) facilitating. In Asia, community forestry management commenced in the early 1980s in response to the need for more sustainable management of forest regeneration in existing ‘wild’ (rather than planted) blocks (pers. comm., Gill Shepherd, July 2002)

2. Over 40% of approximately 8,000 km² of biodiverse tropical rainforests of Cross River State, Nigeria, are officially protected by enclosure in the Cross River National Park (established 1991, nearly 4,000 km² enclosed). The remainder are set aside in government managed forest reserves (c. 1810 km²) for sustainable use or are
community forests (c. 2150 km²) managed by village authorities representing about 1.5 million rural people. If unchecked, informed observers estimate over 8,000 km² of rich tropical forest will be destroyed – forever – in the next 3 to 5 years, with an estimated 2,000 km² being removed in 2002 alone (figures from RRDC, Calabar).

3. Local logging companies include the following: Four Plan, Bollex from Lebanon, Union Forest Industries, Mikes Plant Nigeria, Kisari, Formosa Industries, Ekoli Brothers, Calabar Wood Industries, and Ridge Edge Industries (Encyclopedia of Sustainability, 2002).

References


GE/GM Food Aid

Collins Magalasi

We, like minded organisations from South Africa, Zimbabwe, Zambia, Tanzania, Uganda, Ghana, Ethiopia, US, UK, Malaysia and Malawi, meeting from 11 to 14 December 2002 in Malawi, would like to make our concerns known on the issue of Genetically Modified Organisms (GMOs) and Food Aid in Africa to our governments, donors and the public. We appreciate the intentions of the donors and governments to save the people from starvation through provision of food aid. We have observed with disbelief, however, how GMO food aid is being forced on countries facing starvation in Africa. We believe that the whole subject surrounds the issue of choice made by all people in Africa related to Food Sovereignty. Governments are obliged to fulfill the needs of its people in ways that do not infringe on the rights of its people and we have arrived at the conclusion that Genetic Engineering (GE) and Food Aid run contrary to democratic principles in the following ways.

Knowledge Gap

GE issues are clouded by mystery. Multi-nationals engaged in GE research are compounding the problem further by refusing to have their research findings analysed by independent researchers. In addition, no empirical data exists to verify the safety of GMOs for human health, the environment, or food safety. The knowledge gap is widened as scientists from developing countries where the GMO food aid is being dumped do not yet have the resources to assess the risks of GMO food aid and yet governments expect them to be advisors on the issue. On the other hand, government relies on information from the promoters of GMOs, which may be highly biased.

The knowledge gap is further compounded by the fact that GMOs have not been debated and are being prematurely forced upon the region under the guise of Food Aid. Field trials on GMO technology are being conducted in some African countries on indigenous food, but on the assumption that GE would improve yield and pest resistance.

The Long-term Problem of Food Security

The complexities of the Food Security situation in Africa encompass a wide range of issues such as the wrong policies, distribution, maximization of resources and the use of low-tech alternatives. We feel that GMOs from developed countries should not be promoted as the magic wand solution to the African food crisis. Rather, the continent
can address the subject in the long-term by exploring the innovative usage of local resources and promoting local varieties which have proved to be low-tech and highly pest resistant. Such modern agro-ecological approaches have already proved to significantly increase yields. We are therefore concerned that GM crops will increase both the dependence and reliance on multinational seed companies and complicate the picture further with high incidents or litigation as a result of violation of intellectual property rights by poor farmers in the region. GM crops may also reduce yields. This scenario will in turn create food insecurity and severely disrupt traditional farming methods, which still prove to be reliable, and serve as the basis for a better and assured alternative to GMOs. The potential destruction of local varieties will propel the region further into crisis.

The Freedom to Choose

The Genetically Modified (GM) food is said to have been given as food aid since the late 90s. However this has been done without the prior informed consent of the recipient countries. The argument that is used is that either you eat GM food or you starve. Unfortunately, the same language has been copied at a national level. As such, we call on all governments in the region to respect the rights of all its citizens and create as much awareness as is currently possible on taking precaution on the issues of GMOs. We believe this can be achieved by enhancing the point of Prior Informed Consent particularly regarding food donations.

We support the recipients country right to refuse GM food aid as is provided for in the Biosafety Protocol, and we call on all donors not to force Africa to choose between starvation and GM food when there are plenty non-GM Food, representing 93% of the world food.

We call for a concerted effort to adopt contextually relevant regulatory frame-works at both national and regional levels, regarding the introduction of GE seeds and foods. In this regard, the African Model law should serve as the route to achieving this goal. In light of the fact that GM foods have found their way into the markets of Africa, we call for the enhancement and implementation of full and comprehensive labeling laws. We believe that nations should be left free to apply the precautionary principle and choose aid that is appropriate, socially and culturally acceptable to its peoples. There is need for a consistent consultative process with civil society in the drafting or revision of protective legislation on GMOs.

Liability

We realize that scientific opinion is divided on the safety issues surrounding GM crops, especially when given unprocessed to hungry people as their staple food, people whose immune systems are weakened by illnesses such as HIV/AIDS. In the absence of internationally agreed implications of GM food, we believe that legal liability for unforeseen consequences of GM food, currently being offered as aid, must be borne by the donor community.

Conclusion

We are very concerned that the worries about GM foods by recipient countries have been dismissed as trivial when weighed against the threat of starvation. This is false as GM food constitute only a small portion of the 7% of global (animal) feed/food in the world. The forcing of GM food on the poor countries does not recognize the community rights, the rights of the nations, the sustainable availability of local seed variety and long-term implications of genetic engineering.

We call on the western countries, whose consumers exercise the precautionary principle with regards to GM crops, to ensure that their agents act responsibly
and deliver non-GM food aid to poor nations that need the assistance. We call on like-minded people who were not present at the meeting in Malawi to join forces in campaigning against the dumping of GMO food (aid) in poor developing countries and support alternative breeding and production methods that benefit the poor. We are determined to see this issue through to the end.

The Way Forward

We will encourage scientists to improve on alternative breeding methods through, amongst others:

- Scientists using participatory, sustainable and farmer driven production and breeding;
- Raising awareness of scientists on deep concerns of GE technologies;
- Advocating for policy change in the biotechnology sector for the benefit of the people;
- Monitoring development research;
- Pushing for corporate responsibility to account for their technology;
- Calling on regional blocks e.g. SADC, AU, COMESA, ECOWAS etc to take a stand on GMOs.

We will continue to remind our national governments:

- To ensure that the people are provided with safe food;
- To respond quickly to indicators of food insecurity in order to plan properly;
- Not to accept GE dumping on their soils.

We will continue to call on donors:

- To provide food aid without conditionalities;
- To respect sovereignty of Rights of Nations;
- To adhere to the international conventions on food aid;
- That the UN Food Aid Agencies and others should not be conduits of GE Food dumping;
- To increase funding in farmer-driven research programmes and encourage farmers to diversify their food production and preservation.

On Biosafety regulations, we will continue:

- To call on countries to enact Biosafety laws in line with the African Model Law on safety in biotechnology where Biosafety laws exist, the public should be made aware of;
- To encourage countries to ratify the Cartagena Protocol;
- To call for Labeling of all GM foods and products on the market.

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P.S. There are some important parallels between the case of GM crops and nuclear power. The first is that GM crop technology also has military potential. This is due to the fact that it can be used to deploy and/or modify crop viruses to destroy certain types of crops. One current military interest is the potential to use it to destroy crops used for illegal drugs (e.g. opium, cocaine).
However, if deployed in this way, it is possible that other non-target crops (food crops) will be killed or natural ecosystems damaged. The second parallel is the idea that GM agriculture will have major benefits for society, the most quoted one being to help ‘feed the world’ through major increases in crop yields.

There are two main reasons to be sceptical of this claim. The first is that current problems of food shortages are not due to a lack of food, but due to inadequate distribution of that food due to poverty, war etc. The second reason to be sceptical is that the evidence to date on the yields of GM crops are not promising. For example, yields of GM soya are on average 5-10% lower than non-GM soya. The third parallel is the current claim that it is highly unlikely that GM agriculture will cause a major irreversible accident. The process of genetic engineering involves the transfer of genetic material between organisms. The genetically modified organism may not be stable and hence the transferred material may ‘leak out’ and be taken up by another organism, for example, bacteria or virus. Such a transfer, known as ‘horizontal gene transfer’ (HGT), may lead to the creation of more virulent viruses and bacteria. Many biologists believe such events to be very unlikely. However, HGT has been observed between GM-plants and plant viruses; GM-plants and soil micro-organisms; and GM material and bacteria in the human digestive track.

A particular concern is major, irreversible damage to soil fertility, through damage to soil micro-organisms. The final parallel between nuclear power and GM agriculture is the claim that there will be no significant environmental or health effects. However, evidence is beginning to accumulate of possible problems. For example, beneficial insects such as butterflies have been found to be damaged by GM maize, while herbicide-resistant weeds have become a problem in areas of the US growing GM cotton.

Learning from the Past

There are clear parallels between the claims made by early nuclear power advocates and those currently being made by GM crop advocates. It is not uncommon for industry, governments or scientists to make enthusiastic promises of the benefits of a new technology, while paying less attention to the unknown risks. Society should be wary of these claims and take a more precautionary approach to the introduction of new technology. One particular change needed is the reduction of the role of powerful vested interests such as the military and business in directing technological development to suit their own narrow ends.

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The Question of Iraq

The issue of Iraq affects us all as does the increasing militarisation of the US in its quest for oil. Academics and activists alike continue to debate the issues while the US is frantically and desperately trying to legitimise the various smoke-screens, whether it be ‘morality’ or ‘weapons of mass destruction’. The following is taken from the December issue of MERIP (see details at the end) in our attempt to point out some of the more saner arguments regarding the issues.

If there is to be a US-led conquest of Iraq, the American public and the world are entitled to know why. Unable to demonstrate that Iraq’s putative weapons of mass destruction pose a ‘mortal threat’ to the United States or to provide evidence implicating Iraq in the September 11
attacks by al-Qaeda, the administration and members of Congress recite the litany of Saddam Hussein’s many crimes as if the world’s greatest military power has no grand strategy, national interests or economic agenda of its own, but only reacts haphazardly to the misdeeds of rogues and pirates.

George W. Bush disappoints even his own neo-conservative base when he spouts platitudes about good and evil instead of addressing the national interest, and he insults Americans by telling them to live in ‘fear’ of a half-occupied, third-rate tyrant. A more honest explanation would point out that Iraq’s size, location, water resources, scientific community and potential for Arab regional leadership, in addition to its oil and its current despotism, make it the ideal place for a long-sought, permanent military installation in the Middle East.

Off-camera but online, the Defense Department, the National Security Council (NSC), the Department of Energy and the White House itself lay out a much more internally coherent, if less media-friendly, case for war. These documents reveal that ‘regime change’ in Iraq is part of a long-term strategy for military dominance of not only the Persian Gulf but the entire arc of crisis stretching from South Asia across Iran and the Arab East to the Horn of Africa.

There is little secrecy or subtlety to the American quest for ‘forward deployment’ centered around the world’s major petroleum deposits. The Carter Doctrine first committed US military prowess to the ‘protection’ of the Persian Gulf. Yet as unabashedly rearticulated by the Bush-Cheney administration, this doctrine has become a prospectus for permanent global military supremacy, starting with pacification of the zone of disquiet known to official Washington as the Central Command. Since CENTCOM’s creation in the 1970s, acquisition of a regional base from which to police oilfields and key transport lanes has been a major strategic goal. Currently based in Tampa, Florida, CENTCOM operates in its ‘home’ theater only at the whim of the Arab monarchs of the Persian Gulf. But only Saudi Arabia is large enough for a full-scale American base, and Saudi domestic opposition to such an arrangement runs wide and deep. Kuwait and the other tiny, oil-rich emirates share Saudi trepidation about a substantial foreign force on their sands. Occupying Iraq would provide an insurance policy against instability in the petro-princedoms, securing US access to regional resources and markets.

Many people suspect that, if Iraq did not have oil, its weapons of mass destruction program would be of less concern to the White House. Every year, the US uses a quarter of the oil burned worldwide. Having rebounded from a crisis-induced effort at conservation in the late 1970s, US reliance on imported oil is projected to grow for the next 25 to 50 years. Department of Energy reports emphasize the crucial role Saudi Arabia plays in stabilizing oil prices, while the Defense Department acknowledges US dedication to the Kingdom’s own political stability. It was Iraq’s invasion of another pro-American oil monarchy, Kuwait, and its threat to Saudi Arabia and the smaller Gulf states, that prompted Desert Storm in 1991, the first US war against Iraq.

But it is not only ‘our oil’ that concerns Washington as it stumps for Desert Storm II. The US imports just over half its energy needs, and about half those imports come from the Western Hemisphere (especially Canada, Mexico and Venezuela). A bit less than one quarter of American oil imports come from the Persian Gulf. Estimates of total US energy needs met from the Middle East (especially Saudi Arabia but also Iraq) are in the 12 to 19 percent range. In a short-term emergency, Gulf oil could be replaced from American strategic reserves and alternative foreign and domestic sources. Prices might rise, but gas and heating oil
would not run out. Contrast this relative ‘energy security’ with Europe, which gets a third of its imports and over 20 percent of total consumption from the Gulf, and nearly as much again from African nations including Libya and Algeria. Some 30 to 40 percent of the oil consumed in Europe comes from the Middle East. Japan, totally reliant on imported oil, buys some three quarters of all the petroleum it consumes from the Gulf. Western Europe and Japan each import over twice as many barrels of oil each day from the Gulf than the US. As the authors of the National Energy Strategy report, published in May 2001, observed, ‘US energy and economic security are directly linked not only to our domestic and international energy supplies, but to those of our trading partners as well. A significant disruption in world oil supplies could adversely affect our economy and our ability to promote key foreign and economic policy objectives.’

Nor are interests in the flow of oil limited to the concerns of America’s best trading partners. The Defense and Energy Departments and the NSC are also ‘attentive to the possible renewal of old patterns of great power competition,’ especially from Russia, India and China. Russia is a net exporter, so there the US aims to secure for American oil firms a share of the action. China, which has moved from being a net oil exporter to an importer in the past decade and whose consumption is predicted by Department of Energy analysts to rise as much as eightfold in the next 20 years, buys two thirds of its imports in the Gulf. Caspian Sea suppliers will not make much of a dent in this dependency. Demand is also accelerating in India and some other Asian industrializers. Strategic planners have noted that China, India and other Asian countries are less likely than OECD countries to back American policies in the Middle East generally, especially if their energy lifeblood is at stake. Looking into the future, therefore, strategists see a potential challenge to US hegemony over world oil. From the point of view of grand military planning of the sort that won World War II and the Cold War, the positioning of forces in the oil heartland and along critical sea routes is a no-brainer. The capacity to deprive a potential military rival of fuel for its war machine is one crucial element of what Deputy Defense Secretary Paul Wolfowitz calls ‘area denial or anti-access strategies.’

‘To contend with uncertainty and to meet the many security challenges we face,’ Bush told a joint session of Congress on September 20, 2001, ‘the United States will require bases and stations within and beyond Western Europe and Northeast Asia.’ The themes of this speech are reiterated in the goals elaborated by the NSC, which call for American ‘defense beyond challenge’ to ‘dissuade future military competition; deter threats against US interests, allies and friends; and decisively defeat any adversary if deterrence fails.’ The same set of documents stresses ‘forward military presence’ and ‘access to distant theaters.’ The end of Cold War era deterrence requires the expansion, not contraction, of US military capabilities, according to Joint Vision 2020: America’s Military Preparing for Tomorrow. The report is blunt: ‘The overarching focus of this vision is full-spectrum dominance,’ meaning ‘overseas presence forces and the ability to rapidly project power worldwide.’

Full-spectrum dominance is especially needed in the CENTCOM zone. According to a report on the November 2001 conference of the CIA’s Strategic Assessments Group, ‘Prominent US observers of the international security environment contend that the United States will continue to encounter challenges along an ‘arc of instability’ in coming years and decades.’ This arc refers to a ‘southern belt of strategic instability’ that ranges from the Balkans and West Africa through the Middle East to South and Southeast Asia. ‘These commentators argue that US
military forces overseas and at home are distant from those areas where future turmoil and conflicts are most likely to occur. This will challenge the United States to develop and deploy new forms of overseas presence, power projection and expeditionary operations.’

An NSC document called Twenty-First Century Challenges spells out what this means. The document’s National Military Strategy prioritizes what it calls ‘Joint Forced Entry.’ The US ‘must be able to introduce military forces into foreign territory in a non-permissive environment.’ American forces must ‘always be able to gain access to seaports, airfields and other critical facilities’ overseas and enjoy ‘unimpeded access, adequate bare-base facilities, tailored pre-positioning and reliable host nation support.’ As applied in 2001-2002 to the arc of instability to which CENTCOM requires the capacity for forced entry, this is indeed a formula for full-spectrum dominance. It explicitly extends to the power to open markets and dictate domestic political arrangements.

George W. Bush and the oil barons who staff his administration hardly invented this vision. American ambitions for the new century echo British aims at the start of the last, a mixture of realpolitik and mercantilism cloaked in the moralizing discourse of the white man’s burden. London redrew the map of the Middle East after World War I, then installed pliant regimes in a system of ‘indirect rule.’ Long after relinquishing the empire in Asia and Africa, Britain clung to its one Arab colony in Aden, then a base in Kuwait and finally a presence in Oman. No wonder a British Prime Minister could articulate a rationale for forcible restoration of an English-speaking government in Iraq. The Arab-American Oil Company was the first American move to take Britain’s place as the empire faded.

For Washington, the strategic importance of the Gulf was underscored by the oil wars of the 1970s. Throughout the 1980s, as the Iran-Iraq war raged, CENTCOM cultivated its security arrangements with the oil monarchies, training and equipping their defense establishments. Famously, in 1988, when Iran threatened ships bound for Arab ports, the US ‘reflagged’ Kuwaiti ships to assure nervous insurance companies that transit through the waterway was safe.

The US-led assault on Iraq in 1991 stopped short of overthrowing the Baghdad regime because protecting the Gulf monarchs was a cleaner, cheaper, less risky means of pursuing American interests than occupation. The sanctions regime pursued by both the Bush-Thatcher and Clinton-Blair administrations combined control of Iraq’s international trade with UNSCOM inspections and periodic punitive air strikes against Iraqi targets. The arrangement, under which American and British troops actively policed the Gulf, suited US interests well. Iraq was divided. UNSCOM destroyed more Iraqi weapons through coercive inspections than coalition forces had in the ferocious bombing of 1991, and ‘incidentally’ generated military intelligence useful to Anglo-American forces. Arab Gulf monarchs acquiesced to foreign troops on their soil as long as they believed Iraq was a threat.

‘Enhanced containment’ of Iraq was the default policy of the Clinton administration, but plans for a larger assault were also on the drawing board. American companies manufactured a new arsenal for the Iraqi theater, comprised of titanium-tipped cruise missiles, bunker-penetrating and satellite-guided bombs, and target-seeking sensors. In December 1998, when 28,000 men and women were deployed to the Gulf in Operation Desert Fox, the Pentagon had ready detailed plans for penetrating underground installations, detonating presidential compounds and neutralizing the Iraqi Republican Guard. Congress passed the Iraq Liberation Act the same year.
Clinton’s Secretary of State, Madeline Albright, vowed to punish Iraq as long as Saddam Hussein remained in power.

Coincidentally, 1998 was also the first occasion when US firepower was directed against Iraq and Afghanistan more or less simultaneously. In August of that year, the United States lobbed cruise missiles into Afghanistan and Sudan in retaliation for explosions at American embassies in Kenya and Tanzania plotted by Osama bin Laden. At the time, Clinton and Albright warned that the missile attacks on suspected al-Qaeda targets were but the opening salvos in a long military campaign against an international terrorist network. In other words, the US intended to fire at will in the larger Indian Ocean basin, while pursuing its low-intensity war on Iraq indefinitely.

The changed post-September 11 environment emboldened the White House to launch an aggressive strategic agenda requiring hefty Pentagon budget increases. The administration knows the connection between Saddam Hussein and the string of terror attacks by al-Qaeda is purely spurious: neither is behind the other. Iraq’s stubborn refusal to surrender, on the one hand, and bin Laden’s anarchist strikes against the Saudi government and its American guardians, on the other, are separate instances of convulsive reaction to the assertion of a pax americana. But if Afghanistan and Iraq are distinct problems, the same simple prescription applies to both: occupation and, if possible, installation of a Westernized gentleman from exile. In Iraq, however, the US presence will be nationwide and highly intrusive. The new ‘democratic’ government will be neither Ba’thist nor Islamist, but will abide by oil price stabilization rules and accept disarmament in exchange for American ‘protection.’

Many, many people in the US and Britain – libertarians and leftists, realists and pacifists, civilians and officers – doubt that attacking Iraq is either right or necessary, and many fear a resurgent military adventurism. European public opinion is solidly against the war on ethical grounds, but also because a war in the Middle East threatens to disrupt their oil supplies and destabilize their southern flank, while establishing dangerous precedents for international law (which heretofore strictly prohibits landing troops to change another government). The Arab world recalls a long history of occupations and interventions with a mixture of anger, fear and concern for the future. Only Ariel Sharon’s government, engaged in its own aggressive military campaign, champions a preemptive strike. Yet many Israelis regard this alignment with foreboding, because no defeat inflicted upon the Palestinians in the shadow of war is likely to ‘end’ the Israeli-Palestinian conflict or to enhance the long-term security of Israel.

The White House has demanded regime change in Palestine and dropped hints about ‘going into’ Somalia, Yemen and other failed or weak states. Off the record there’s talk of going into Iran, Saudi Arabia and other countries to establish democracy and unveil the women. But even Yemenis or Palestinians or Iranians wishing for their own change of regime refuse to join the Bush administration’s arrogant crusade, whose principal effect is to ignite unprecedented anti-American frustrations throughout the Islamic world. Afghans cheered when the bombing stopped, just as Iraqis may do. But such ceasefire celebrations should not be viewed as welcome parades for foreign occupation. Last year’s ‘liberation’ of Afghanistan from the Taliban, though cause for a great national sigh of relief, now portends more risk of anarchy than promise of democracy, and the ever-present possibility that foreign occupation will inspire an intifada.

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Reflections on Somaliland & Africa’s Territorial Order

Ian S. Spears

This article examines the arguments for and against reforming the African state system in order to create more viable and peaceful states. It argues that while such a process has the potential to be enormously disruptive, selective recognition of some ‘states-within-states’, such as Somaliland, does offer promising approaches to more effective governance and more viable and coherent states.

Introduction

On 31 May 2001, the self-declared Republic of Somaliland conducted a referendum on its future. In what has generally been regarded as an accurate reflection of public sentiment, Somalilanders voted heavily in favour of independence from Somalia proper (Initiative and Referendum Institute, 2001). The results were perhaps not surprising. Since the early 1990s, Somaliland has essentially been a ‘state-within-a-state’; a political entity which had emerged out of a previously recognised territorial third world state but which lacked formal recognition from the international community. Indeed, Somaliland had already acquired many tangible features of statehood: government ministers and a president, a flag, an army, its own currency, vehicle licence plates and, perhaps most important, a sense of self. By comparison, Somalia-proper has continued to languish in political uncertainty. As Virginia Luling pointed out, Somalia outside of Somaliland had already become the prime example of a ‘collapsed state’, a ‘byword for anarchy’. Becoming ‘another Somalia’, she observed, was the outcome to be avoided by all other African states (1997:287).

This bifurcated outcome thus presents a contradiction to the recent apocalyptic literature which speculates on the prospects of state breakdown (Kaplan, 1994). While many of the existing territorial states in Africa remain fragile and prone to collapse, these conditions have not always given way to anarchy. In a few cases, the breakdown of large, arbitrary state units has given way to more coherent and viable (though, to be sure, not always more benevolent) political entities. The question remains to what extent these sub-units represent alternatives which the international community should look to in a long-term effort to bring greater stability, security and development to peoples in Africa. In some cases, it may be time to abandon expectations that African countries can be recreated as they once were and consider other decentralised approaches for the longer term. Radical decentralisation, the use of an interim status short of formal recognition, or even recognition itself should all be considered alternatives to Africa’s current state system.
Contrasting Views on Reforming Africa’s State System

Persistent violent conflict and economic insecurity in Africa has led a number of scholars and commentators to argue that it is time for the international community to reconsider its recognition of the existing African state system. The motive for reforming Africa’s territorial structure is the perceived need to rationalise dysfunctional state units, and in doing so, to alleviate the most relentless and violent conflicts. Many contemporary conflicts in Africa are assumed to result from the fact that incompatible ethnic groups have in effect been forced to live with each other because of an ongoing devotion to Africa’s arbitrary colonial borders. Africa’s economic difficulties are also attributed to the fact that Europeans colonised Africa not in order to create future viable sovereign countries but to serve their own European interests. The subsequent commitment to colonial borders was articulated in the Charter of the Organization of African Unity (OAU) which repeatedly makes reference to the importance of maintaining Africa’s ‘territorial integrity’.

In a recent editorial, however, one African scholar Makau Matua, contends that, if democracy is to be realised in countries such as Rwanda and Burundi, partition is necessary. This is because the dominant minority in each case, the Tutsi, will not allow its interests to be jeopardised by the implementation of majority rule. ‘Just like Kosovar Albanians and Serbs’, Makau Matua argues, ‘the Tutsi and the Hutu cannot live together or tolerate each other.’ He adds:

\[A \text{ real solution to the Hutu-Tutsi conflict ... would be for a United Nations panel to redraw the maps of Burundi and Rwanda to create two wholly new states: one for the Hutu, the other for the Tutsi (Matua, 2000).}\]

Other scholars have echoed these sentiments and called for action to find ways to reduce conflict and reverse Africa’s political misery. Michael Chege has argued that, ‘Where a people’s allegiance to their own ethnic group supersedes that given to the state, it may be time to let them secede or fuse with another state. For what does a country benefit if it secures its boundaries yet suffers perennial bloodshed among its own people?’ (1992:153). While some commentators envision a redrawing of borders, others remain open-minded about the forms of political reorganisation that might take place. Chege obviously sees secession as an option which must be considered but, in addition, he proposes federalism as a means of defusing autocratic power. Jeffrey Herbst also declares that alternatives to Africa’s existing state system must be considered, and proposes initiating this process by ‘publicly declaring that the international community is not blindly wedded to the current state system’ (Herbst, 1996/7:133). Indeed, Somaliland’s late President Mohamed Haji Ibrahim Egal expressed his own desire to achieve an ‘interim status’, short of recognition, from the international community so that it could, at least for the time being, qualify for financial assistance from international lending institutions (Hirsch, 2001).

While options short of independence are ultimately domestic affairs and therefore not necessarily the direct concern of the international community, there is a well-established reluctance to allow unrestricted redrawing of African borders. Historically, even some of the most prominent proponents of national self-determination have subsequently reconsidered such a policy when the sheer scope and risks associated with such an endeavour became apparent. American President Woodrow Wilson, for one, had reservations about the precedent that was being set when principles of national self-determination were applied outside of Europe following World War I. In testimony before the Senate Committee on Foreign Relations, Wilson acknowledged:
When I gave utterance to those words [that all nations had a right to self-determination], I said them without the knowledge that nationalities existed, which are coming to us day after day, ... You do not know and cannot appreciate the anxieties that I have experienced as a result of many millions of people having their hopes raised by what I have said.3

Indeed, it is not always clear that substantive overall gains would be made in a general restructuring of the African state system. On the contrary, there are valid reasons to think that any sort of public declaration on self-determination would be enormously disruptive. In regions where competition over scarce resources is fierce, the creation of separate Tutsi and Hutu states, for example, would almost certainly reorient the conflict from one fought along ethnic lines to one fought along an even more narrowly-defined cleavage. In Rwanda, most of the participants in the 1994 genocide were Hutu but they were Hutus of a particular clan from a specific region – the Bushiru of Ruhengiri and Byumba. As Bruce Jones has noted:

the Habyarimana regime was in fact a clan-based northern Hutu regime that was as discriminatory against Hutus from southern Rwanda as against Tutsis (Jones, 1999:121).

Similarly, in Somalia, the fluidity of clan divisions complicates efforts to formalise new political boundaries to replace those of the original colonial divisions. When individuals are competing for a slice of a finite pie, critics of restructuring say, formalised division and redivision of states in an effort to reduce conflict may, in the end, be an exercise that merely perpetuates it.

Other practical problems associated with national self-determination and economic viability would also have to be considered in any formal territorial restructuring. Who would decide which states are deserving and which deserving states would be viable? Is a community which has been oppressed by its own government and which might be judged economically unviable less worthy of statehood than a similarly oppressed group which has a thriving industrial base? Would the possibility that most African states appear to be even less viable than other developing regions not invite accusations of a racist double standard? Would there not be an enormous reluctance by the international community to continually recognise new ever-more fragile and dependent states? As A.M. Rosenthal (1993) put it:

The plain truth, never said out loud at the UN, is that countries have been admitted to membership that cannot or will not take on the minimum responsibilities that they owe to the international community and to their own people. The very act of independence can make countries dependents of the world.

He adds that:

the UN could save the world a great deal of grief if it used its rights of accreditation to create a flexible waiting period between application for membership and acceptance. If a test is required to drive a car, why not one to drive a nation?

If the international community is to reconsider its approach to the African state architecture, it must be seen as a means to a tangible and realisable end: either to reduce the likelihood of violent conflict or to generate states which are more compatible with democratisation and economic development. In short, given the upheaval that would undoubtedly accompany any major restructuring of the international system, the benefits must clearly outweigh the costs. To date, the experience of formally changing political borders has often been a violent process and the international community has, rightly, remained conservative on the issue of state
recognition. Yet there is still a justifiable desire for flexibility. Rather than risk the kind of public declarations that Jeffrey Herbst calls for, there is a need to adopt a more piecemeal approach to any restructuring of the African state system. Some state entities, such as Somaliland, are empirically stronger than the juridically-dependent hosts from which they emerge and have served as ‘building blocks’ for state reconstruction. Given their potential viability in the longer term, these states-within-states need to be regarded as prospective candidates for some sort of new federal arrangement, special status or even formal recognition by the international community. Efforts to challenge their sovereignty may only undermine some of the most promising examples of political reorganisation in the developing world. The result would be even more conflict.

The Case of Somaliland

It is ironic that processes of state formation in Somalia should have undergone such a dramatic reversal since the time of independence in 1960. In superficial terms, given that its commonalities in language, ethnic identity and religion make it unique among developing states, Somalia might once have been regarded as one of the least likely African countries to experience state breakup. This is not to say that Somalia’s political leadership was satisfied with the colonial borders it inherited or that there is no regional variation among Somalia’s peoples. On the contrary, the political and military energies of its leadership, particularly in the first two decades after independence, were more likely to be directed towards fulfilling irredentist, rather than secessionist, ambitions.

Many Isaq, the predominant clan family in Somaliland, argue that it was precisely the failure to achieve a broader unity among all Somalis in the Horn which led to a renewed desire to embrace a state based on the original colonial boundaries. The independent Somali Republic was formed by the union in 1960 of the former British Somaliland in the north and Italian Somalia in the south. Somalis in the neighbouring Ogaden region of Ethiopia, in Djibouti and in the Northern Frontier District of Kenya were left out of the new state. The failure to achieve the larger more ambitious objective of uniting all Somalis led some Somalilanders recently to embrace a more parochial national identity. According to one prominent Somalilander:

*the dream was that every Somali had to seek to bring the five parts together politically. And our union with the south was the first step in that direction. It was not a desired union per se. It was a means to an end. If you take away the end, why should the means be pushed together again. The international community has taken away the end.*

The reluctance of the great powers to accept Somalia’s irredentist ambitions was most evident during the 1970s when the army of Mohamed Siad Barre invaded eastern Ethiopia and was thwarted in its effort to incorporate Ogadeni regions into the existing Somali state. The Soviet Union rescued the Ethiopian regime in November 1977 and the United States warned against a feared subsequent Ethiopian invasion of Somali territory. An unstated message, however, was that, while extra-state ambitions would have to be set aside, Addis Ababa and Mogadishu were free to crush secessionist movements in Eritrea and Somaliland respectively. The willingness of Washington to underwrite the actions of an increasingly besieged and brutal Siad Barre regime then became an embarrassment in 1989 when a report by the United States General Accounting Office (1989) observed that small amounts of military aid were being supplied to Mogadishu at the very moment that Hargeisa was being
bombed by government aircraft. The brutality with which the Siad Barre regime
attacked centres in Somaliland has been well documented (Africa Watch, 1990).

More recently, scholars and politicians have re-emphasised the historical roots which
distinguish Somaliland from the south. Some scholars have decried the fact that so
little attention has been paid to a more varied developmental experience among
Somalis. As M.J. Fox has recently argued:

_Somalia is presumed to have been colonised as an undifferentiated whole, an utterly shared
historical experience. … But the northern and southern areas of Somalia did not have a
shared colonial or pre-colonial experience, and as such, were bound to manage subsequent
events differently as well (1999:11)._ 

Indeed, among other things, Somaliland’s northern orientation, its proximity to the
Gulf states, the trading patterns it consequently embraced, and its colonial history
distinguished Somaliland from the south. Not surprisingly, Somalilanders and
sympathetic observers regard this history as a means of highlighting the region’s
distinctiveness. Government publications emphasise the pre-colonial origins of
Somaliland and, consequently, that Somaliland was ‘not an entity which was born
after the disintegration of the Siad Barre dictatorship.’ Noted in particular are traces of
‘the ruined cities of Somaliland’ – evidence which apparently proves ‘that in ancient
pre-historic times a country existed in Somaliland which had its own identity and its
own geographic contours’ (Government of Somaliland, 1997).

Somaliland’s colonial history under Britain was clearly different from that of southern
Somalia under the Italians – a fact which is used to explain contemporary political
advantages over their southern brethren. While noting that they governed their
colonies with varying degrees of enthusiasm, Gerard Prunier has observed that
‘British Somaliland, like southern Sudan, [belonged] to the no-government category.’
Since Britain was interested in Somaliland largely as a means of keeping other
colonial powers out of the region, Somalilanders suffered only from Britain’s ‘benign
neglect’. Consequently, Prunier writes,

_at independence in 1960 the territory was economically underdeveloped but blessedly
untampered with at the level of native political institutions. The Somali system of
peacemaking, vital in a conflictual nomadic society, remained largely intact (Prunier,
1998:225)._ 

Certainly, Somalis speak proudly of their more recent accomplishments in coping
with their own internal conflicts during peace conferences in Berbera and Burao in
1991 and in Borama in 1993 at which time relative stability was established in the
north. But while Somalilanders have achieved a measure of internal peace, this
solidarity was also a product of war.

**War & the Creation of States-within-States**

Scholars have long emphasised the importance of violent conflict in European state
formation (Herbst, 1990; Tilly, 1985). War forced states to become more efficient in
carrying out key tasks such as resource extraction and in creating more durable
administrative structures. Warfare also tended to break down divisions between
groups and generate domestic solidarity for the purposes of defeating another
common enemy. Indeed, specific battles – ones which involved great victories or
painful losses – helped forge common identities which define the sense of nation for
succeeding generations (Howard, 1978:9). In this way, a war-prone environment tended to strengthen some state structures and absorb other weaker territories into larger more powerful states.

The experience of European state formation, however, is regarded as unique and not likely to be repeated in the developing world. Most new states in Africa and elsewhere were not exposed to the demands of inter-state warfare in ways that European states were. Indeed, prior to 1945, states with such weak administrative structures and divided populations would likely have been swallowed up by much stronger powers. Lacking the empirical qualities that were previously associated with statehood, these quasi-states were sustained during the cold war through a combination of foreign aid, the provision of military hardware, and a benign international environment which was respectful of the norm of juridical sovereignty.6 Nonetheless, processes of state formation similar to those in Europe were important in generating and strengthening sub-state units within these larger juridically-based states. While these political entities were rarely able to overthrow their host governments during the cold war, they frequently carved out portions of territory and some of them have since emerged to become potentially viable members of the international community. In the Horn of Africa, for example, it is possible to identify three different entities which emerged in this manner: one which has since achieved formal statehood (Eritrea), one whose political viability has yet to be translated into formal statehood (Somaliland), and one whose secessionist ambitions have been put into abeyance (Tigray).7 While central governments in quasi-states made (and continue to make) pro forma claims to all of their territory, these substate political entities have come closer to satisfying Weberian notions of statehood.8 Indeed, the comparative strength and solidarity of these units was largely a product of their respective wars with centralised governments. In Somaliland, for example, by the late 1980s the Siad Barre regime had effectively lost much of the northern region to the Somali National Movement (SNM) which had established a rudimentary administrative authority of its own. Moreover, the SNM was increasingly well armed with weapons captured from government forces. Foreign medical personnel who treated SNM fighters noted that 8 of 10 gunshot wounds were frontal indicating that the level of motivation and discipline was extremely high. Today Somalilanders continue to make frequent reference to the bombing that was sustained in the city of Hargeisa during the late 1980s. While few dispute their ethnic links with their Somali ‘brothers and sisters’, the sheer brutality of the Mogadishu’s attacks during the late-1980s has been burned into the collective memory and has furthered the psychological gulf between north and south. As one resident of Hargeisa remarked:

_We cannot understand how they could take off from the [Hargeisa’s] airport [which was under central government control] and bomb their own people. They came and cut down our trees. They poisoned the wells to kill the animals. How can the people ever forget that?_9

In 1997 mass graves were discovered which some Somalilanders have since sought to have preserved as a tangible reminder of atrocities committed by southerners against Somalilanders. As one prominent Somalilander stated:

_It’s very important that we at least go and see those graves and feel sorry that this kind of thing can happen to human beings. ... The only crime they were guilty of was just being human beings who wanted to decide on their own destiny; who called themselves Somalilanders and wanted to live where they had always lived, Somaliland, and not be part_
of any other kind of administration. Because the union with our brothers in Somalia just ended up in aerial bombings, killings and atrocities.\textsuperscript{10}

Since so much of the Somaliland sense of self appears to be derived as a result of the war with the south any serious effort to reintegrate the north and south becomes extremely problematic. The contradiction now is that Somalia is perceived as a potential threat to Somaliland’s fledgling independence, and at the same time as a terminally unviable state whose transitional government, created under the so-called Arta process in neighbouring Djibouti in August 2000, is unable to assert its authority in any meaningful way. In 1997, the United Nations Secretary General reported that ‘member States have expressed concern about the increasingly evident effects of the lack of a functioning central government in Somalia’. ‘Somalia’, the UN said, ‘was a “black hole” where the absence of law and order is attracting criminals and subversives’ (UN, 1999: paragraph 62). Since the TNG’s creation, it has made attempts to reconcile with other southern factions – the latest being an agreement signed in Eldoret, Kenya in late October 2002. Nonetheless, the current composition of the Somalia government makes any future union extremely unpalatable for many Somalilanders. The Transitional National Government (TNG) President, Abdiqasim Salad Hassan, was Minister of the Interior during the attacks on Hargeisa in the late 1980s. Although not directly responsible for the bombing, he oversaw the security services that were active in the north. Others who have been associated with TNG parliament – Generals Aden Abdillahi Nuur ‘Gabiyo’ and Mohamed Siad Hersi ‘Morgan’ – were also implicated in atrocities committed by military forces in the north.

Consequently, Somalilanders now speak in apocalyptic terms about any effort to re-establish a united Somalia. The Vice-speaker of the Somaliland parliament, Abdulqadir Haji Ismail Jirdeh, warned that:

\begin{quote}
The TNG has been encouraged to claim sovereignty over other groups, territories and entities which it doesn’t control and which it doesn’t represent. … They will try to re-arm themselves and try to reconquer by war. We will resist that. By whatever means we will resist that.\textsuperscript{11}
\end{quote}

It should not be doubted that the ongoing, seemingly futile, efforts on the part of the international community to re-establish a central authority in Mogadishu will only deepen Somaliland’s resolve. Jirdeh observes that ‘The immediate plan [of the international community] is to help the Somali people in their crisis. The intentions are good, but the road to hell is paved with good intentions. I have no doubt in my mind, this will lead to more war.’\textsuperscript{12} At present, however, Somaliland is more accurately described not as a state-within-a-state but a state-without-a-state; the putative government in Mogadishu cannot indefinitely claim sovereignty over territory in which it is incapable of exercising authority and whose population remains hostile to the re-establishment of the old Somali Republic.

In fact, many Somalilanders perceived the internal conflicts which infected Somaliland in the early 1990s as a central concern and likely only to jeopardise their ability to maintain their independence from the south. A series of popular assemblies, or \textit{shirs}, which tackled Somaliland’s most pressing political issues, were much more effective than the UN-sponsored efforts taking place simultaneously in the south and was a testament to Somalilanders’ ability to employ their own grassroots approaches to conflict resolution. Since independence from the south was the over-riding objective, most Somalilanders preferred to rally around President Egal rather than
risk an extended and divisive war which would have jeopardised this independence. Concerns over fears of southern interference in northern affairs has arguably been a contributing factor in the maintenance of Somaliland’s traditional form of inclusive ‘consociational’ democracy during the 1990s (Adam, 1994). While Egal lacked varying degrees of legitimacy, his government clearly did not rule through coercion or extraordinary amounts of corruption or patronage. His successor, Dahir Riyale Kahin, has also indicated that there will be no changes in policy and that he will continue Egal’s efforts to achieve security and recognition. Finally, since its self-declared independence in 1991, Somaliland has become increasingly institutionalised and is currently embarking on a transition to multi-party democracy. There is evidence to suggest that, as a result, levels of human development are generally higher in northern regions where localised administrations have been able to establish themselves than in southern and central Somalia where food security, armed conflict and low household incomes have remained persistent problems (Bradbury and Menkhaus, 2001). In short, while these features of statehood may not yet amount to a political ‘driver’s licence’, Somaliland’s prospects appear more promising than Somalia’s.

Nonetheless, secession by Somaliland could set an important precedent for other secessionist movements in Africa. Some of those who have called for a redrawing of Africa’s borders provide little guidance on how this might be done, and almost certainly underestimate the difficulties that would result particularly when resource-rich territories are involved. As others have noted, efforts towards secession are more likely to lead to violence when there are many other groups within the state who might in turn take the secessionist route (Van Evera, 1994:17). Given the fluid nature of Somali clan ties and the potential axes of division, a territorial state comprised of anything but all Somali-inhabited territory is likely to be contentious. However, Somaliland does have one key advantage: the willingness of Somalilanders to settle for the previously established borders of British Somaliland – imperfect as they are – allows them to claim that they are continuing to respect the territorial integrity of Africa’s colonial states and to conform to the Charter of the Organization of African Unity.

Conclusions

An editorial published by the United Nations’ Integrated Regional Information Network observed that:

*A region of Africa that has produced an enormous refugee population, and a recipient of some of the largest humanitarian interventions in the world, the Horn of Africa has left donor governments with little enthusiasm for its evolving political experiments (IRIN, 2001).*

Ironically, the coincidence of the cold war’s end and an increase in political instability in Africa and elsewhere has usually meant that there is less willingness to consider further changes to the international system. Apparently, little thought is given to the possibility that the existing state structure might also be a cause of this instability. State-like entities such as Somaliland are often more viable in terms of their ability to manage their own territory, to provide basic services, and in terms of their internal cohesiveness. In any other era, when the juridical nature of statehood did not have the prominence it has today, it would have been these more logical and viable sub-units which formed the community of states. In light of the Western desire to re-establish political authority in previously collapsed states such as Somalia as a hedge against...
terrorism, a viable government in Hargeisa is particularly attractive. The argument here is not that all states-within-states need to be formally recognised. Even without recognition, these emerging political units can still serve as important foundations to help build peace and sustain development beyond the short run. To the extent that they are effective in this role, however, these de facto political entities should not be abandoned or seen in merely transitional terms. It may well be that they offer a more benevolent form of government which better meets the needs of Africans than the arbitrary states which have existed in Africa and much of the developing world.

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Endnotes

1. Article III of the Charter, for example, states that Member States pledge ‘their respect for the sovereignty and territorial integrity of each State and for its inalienable right to independent existence.’


4. Most countries are multi-ethnic. In fact, according to Milton Esman, 90 per cent of the world’s countries have two or more ethnic groups within its borders; Milton J. Esman (1994), Ethnic Politics, Ithaca: Cornell University, p. 2.


10. Interview, 6 July 2001; similarly, literature provided by the group ‘Volunteers Without Borders’ also notes that its mission is to ‘preserve these mass graves for future generations as the prime exhibits of the crime of genocide committed against the innocent civilians of Somaliland.’


12. Jirdeh interview.

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Conflict in Central Africa: Clandestine Networks & Regional/Global Configurations

Ian Taylor

Central Africa is currently characterised by conflict and disorder with concomitant social, political, and ecological dislocation. The war(s) in the Democratic Republic of Congo and its borderlands are a catastrophe in the heart of Africa. At the formal level, the Southern African Development Community (SADC) is ridden by tension and rivalries that profoundly call into question the ‘official’ region-building project. Yet, at the same time, another type of regional networking has been assiduously crafted. This networking, very often clandestine and illegal, has helped forge a regionalisation that may not be recognisable at first glance, but is surely as ‘real’ – if not more so – in the DRC than any formal regionalism. The type of regionalism emerging links up well-placed individuals and groups within Africa to outside interests, creating a milieu where a wide variety of shadow networks involving states, mafias, private armies, ‘businessmen’ and assorted state elites from both within and outside Africa has developed. The role that international capital has played in this is discussed, throwing into relief the involvement of international interests in helping perpetuate the continent’s disorder, even whilst influential voices – ignoring such roles – throw up their hands at the ‘hopeless continent’.

Networks of Conflict & Accumulation

Informal regionalisation links well-placed individuals and groups within Africa to outside interests, creating networks involving states, mafias, private armies, ‘businessmen’ and assorted state elites from both within and outside Africa (ICG, 2000; UNSC, 2001). The linkages may start locally, then become regional and finally encompass international connections in a variety of combinations. What is significant is that for all such networks to prosper, transboundary formations must be constructed. It is in this sense that international involvement in the emerging milieus are of crucial importance. For sure, without extensive international activities and connections, the type of scenarios currently playing themselves out in the Congo would not be possible. International business has, through its contracts, deals and provision of all manner of means, served to finance and sustain those actors involved in the Central African conflict. This fact should not be forgotten when we talk of ‘Africa’s First World War’.

Crucially, the forms of regional networking, based essentially on a form of kleptocratic political economy, undermine coherent developmental projects and
prospects for peace and stability. They constitute a ‘war economy’ (Shaw, 2000), one of a variety of regionalisations currently remaking Africa, and are truly a reflection of the globalisation of African conflicts, with diverse actors encouraging and profiting from African misery. Indeed, the wars in Central Africa have thrown into sharp relief the involvement of international interests in helping perpetuate the continent’s disorder.

I would like to expand on how powerful international interests have helped stimulate a form of regionalisation in Central Africa that we need to take on board if we are to attempt to comprehend the conflicting processes currently reconfiguring the region. If we are to understand the multifaceted processes that mark out Africa’s political economy, then the political, private, social, ecological, and informal/illegal aspects of regionalising impulses need to be analysed and understood alongside the formal institutional and economic processes. In this sense, the type of transboundary connections discussed here parallel Nordstrom’s ‘shadow networks’. Such networks are a combination of political, economic and socio-cultural forces linked to the international sphere and transactional in nature (Nordstrom, 2002:218). The actors involved in these networks share an inter-subjective understanding of their own roles and norms of exchange and alliance – as will be shown below. Clearly, all the actors within the area under discussion possess varying degrees of agency and are not simply automatons carrying out the wishes of outside forces. How and in what way there are varying convergences of interests between outsiders and internal actors is key to understanding how global forces contribute to the regionalisation the DRC.

In addition, we need to transcend the perception that state boundaries constitute the frontiers of knowledge, converting geographic frontiers into epistemological ones (Mamdani, 2001:xii). The dynamics that have driven the regional and transnational networks, discussed below, are not confined simply to the entity known to us as the ‘DRC’; neither is the regionalisation discussed restricted solely to the continent. Indeed, what is intriguing about the type of shadow networks present in Central Africa is its escaping state or continental boundaries; the continent’s boundaries are now truly transnational in scope, reflecting the intensification of the extraversion of the African state identified by Bayart (2000).

**Regionalism & Central Africa**

Regionalising processes can be broadly distinguished as follows: regionalism refers to the formal projects that lead to legal-institutional arrangements; regionalisation on the other hand refers to the informal processes that result in forms of co-operation, integration, connectivity and convergence within a particular cross-national territorial area (Hettne and Söderbaum, 2000:458). The recognition that regionalisation in Central Africa is multi-layered and involves transnational networks that may or may not be legal, or that reflect Bayart’s ‘criminalisation of the state’ in Africa is fundamental (Bayart, Ellis and Hibou, 1999). Such regionalisation involves the participation of a multitude of actors, within and outside the state. This is essential, particularly in Africa, as much of the social and economic interconnectedness remains liminal: formal/informal, legal/illegal, national/global and so on, constituting what has been called the ‘three economies of Africa’ (Freeman, 2000; see also MacGaffey, 1991). As Shaw writes on recent analyses of regionalism:

> [The] inclusion of non-state and non-formal interactions between the national and global levels enables … [us] to treat the interconnections between more and less statist relations,
as well as to transcend the official by recognising how the latter relates to the unofficial in a myriad of ways (2000:401).

The complexities of regionalisation in Africa clearly allude to regionalising tendencies that play out at different levels, not all of which are recognisably legitimate or constructive. Yet they are still forms of regionalisation, and still reflect Central Africa’s insertion into a global political economy. At the same time such tendencies reflect the diverse manner in which outside interests have sought to exploit Central African regional networks as a means to extract profits and/or construct linkages and chains of influence and control in the region.

**Imperialism in Zaïre; Neo-imperialism in the DRC?**

Since independence a combination of imperialist machinations and possibly one of the worst examples of kleptocratic rule has meant that the people in the Congo have never seen the benefits from their country’s substantial riches. It was the West’s manoeuvring that put Mobutu in power in 1965. After five years of turbulent independence, the Congo was thrown into crisis by the secession of mineral-rich Katanga. Outside forces, through either direct interventions or their subalterns, quickly rushed to defend their protégé Mobutu time and again from the uprisings of his own people. For instance, in 1977 and 1978, the country’s main opposition movement, the Congolese National Liberation Front (FLNC) (Front de la Libération Nationale Congolaise), operating from Angola, instigated two major invasions into Shaba (formerly Katanga) Province. Both affairs brought in outsiders to prop up Mobutu: from Morocco in 1977 and from France in 1978. ‘Classic colonialism is a relic but its absence does not mean that there are no ‘colonial’ interests to safeguard’ (Omari, 2001:253).

The careful cultivation of Mobutu as a ‘friend of the free world’, with its concomitant nod-and-wink to the construction of a highly personalised and kleptocratic regime is well known. The propping up of Mobutu’s decrepit regime by the West was a major crime against the Congolese people – but something which has been largely forgotten back in the metropoles. Mobutu’s downfall in May 1997 sprang from his failure to realise that whilst he had been useful during the cold war as an alibi for all sorts of intrigues within the continent in the name of fighting communism, after the collapse of the regimes in Eastern Europe, his extravagance and arrogance could no longer be tacitly ignored.

What is intriguing for any understanding of the political economy of contemporary Central Africa is the way that outside forces have maintained a steady grip on the post-Mobutu regimes. Indeed, outside involvement has further stimulated a set of regional structures, embedded in conflict, that now criss-cross Central Africa. Working hand-in-hand with global networks of extraction, local ‘big men’ have

*blatantly advertised the economic motivations underlying their participation [in conflict]. Intervening states have sought a direct share in Congo’s revenues from the extraction of mineral and other resources* (Weinstein, 2000:17).

These networks of violence and accumulation have built up a series of inter-linking connections in collaboration with extra-African forces that have constructed a set of transnational networks centred in Kinshasa and extending outwardly to Geneva, Brussels, Lisbon, Paris, Washington and elsewhere.
Such developments are not necessarily new: international forces have helped mould and influence domestic outcomes in Africa for a very long time. What is novel is that the emerging regionalising networks are managing to develop their own links and ties to the international arena, often on their own terms. Whilst we should not overly exaggerate this agency, it has increased the space available to the type of shadowy manipulators and elites involved in the process and in tandem with diverse international actors. The development of such forms of networking was particularly blatant during Laurent Kabila’s regime: assiduously constructing both domestic and international patronage networks that served as resources through which clients might be rewarded for their support. These networks stretched beyond Kinshasa to link up with a variety of global players. For instance, in September 1998 Kabila Sr. decreed that all purchases of gold and diamonds must be made in Congolese francs (brought in on 30 June) and go through a newly established state purchasing company. This allowed him to bring a substantial portion of the country’s mineral revenue under his direct control and thereby offer the incentive of cash rewards to his supporters throughout the DRC (The Economist, 24 October 1998). Kabila Sr. also seized all the assets of the Canadian gold concession, Banro Resources Corporation, a company with which he had signed a contract before becoming Congo’s president. A United Nations report on the illegal exploitation of wealth in the DRC explicitly named, amongst others, the United States, Germany and Belgium as being leading consumers and purchasers of illegally exploited resources from the country, often via networks with the Kabila Sr. administration (UNSC, 2001).

Indeed, Kabila’s interactions with outside business interests and the history of such interactions are a compelling part of the story regarding the rise and demise of Kabila senior and a precautionary tale for Kabila junior. Kabila renewed mining concessions to international companies even before the end of the civil war and his formal accession to the presidency of the ‘Democratic Republic of the Congo’. One of the first major deals signed was with American Mineral Fields (AMF) – a $1 billion agreement for AMF to mine copper, cobalt and zinc. AMF is an intriguing example of an international interlocutor in the Congo war which has links with the very top of Washington’s political elites. Whilst it was involved in the DRC its headquarters were in Hope, Arkansas – Clinton’s hometown. Its senior stockholders comprised veteran political friends of Clinton (Morais, 1998:50). The link between this influential company and American foreign policy in the region is important. According to Madsen, testifying on the war in the DRC before the Subcommittee on International Operations and Human Rights of the United States House of Representatives:

America Mineral Fields directly benefited from America’s initial covert military and intelligence support for Kabila. It is my observation that America’s early support for Kabila, which was aided and abetted by U.S. allies Rwanda and Uganda, had less to do with getting rid of the Mobutu regime than it had to do with opening up Congo’s vast mineral riches to North American-based and influenced mining companies (Madsen, 2001:7).

Also sensing which way the way was blowing, Canadian-based Tengke Mining Corporation dumped its contract with the Mobutu regime for the copper and cobalt mines in Shaba and quickly signed an agreement with Kabila Sr. In both cases Kabila’s ‘generosity’ in facilitating such contracts secured finances to pay for further military advances – at a price. As one commentary put it quite succinctly, ‘it is hardly conceivable that mining companies would be financing Kabila if they thought he was going to take over the economy and run it in the interests of the Zairian people’
(Martorel, 2001). But, the mining companies were not the only external agents that made crucial interventions in Central Africa, as the next section shows.

**The Rise of the Kabilas & the Global Facets of Regional Conflict**

When Western powers were scratching around for a replacement for Mobutu, Laurent Kabila was elevated from nowhere and promoted as the new Congolese messiah, with considerable backing and support from the West. According to Madsen’s testimony,

> [The] DIA [Defence Intelligence Agency] trained young men and teens from Rwanda, Uganda, and eastern Zaire for periods of up to two years and longer for the RPF [Rwandan Patriotic Front]/AFDL-CZ [Alliance of Democratic Forces for the Liberation of Congo-Zaire] campaign against Mobutu. The recruits were offered pay of between $450 and $1,000 upon their successful capture of Kinshasa.

... When the AFDL-CZ and their Rwandan allies reached Kinshasa in 1996, it was largely due to the help of the United States. One reason why Kabila’s men advanced into the city so quickly was the technical assistance provided by the DIA and other intelligence agencies. According to informed sources in Paris, US Special Forces actually accompanied AFDL-CZ forces into Kinshasa. The Americans also reportedly provided Kabila’s rebels and Rwandan troops with high definition spy satellite photographs that permitted them to order their troops to plot courses into Kinshasa that avoided encounters with Mobutu’s forces (Madsen, 2001:4).

Thus when Laurent Kabila took over the seat of government after Mobutu’s inglorious evacuation, excited observers hastily proclaimed that Kabila was ‘different’ and that a *formal* regional project could use this difference constructively. In many respects, Kabila’s victorious entry into Kinshasa marked out a victory for the ‘Anglo-Saxons’ over French interests, which had supported Mobutu until the very end. The international aspect of this supposed internal war in the Congo may be contextualised as part of the struggle between Washington and Paris for spheres of influence (and, particularly, markets) on the continent. Pro-American leaders in Asmara, Addis Ababa, Kampala and Kigali seemed to be constructing a new bloc of regimes friendly to Washington’s interests, linking up with South Africa as a group of states that America could do business with. Sadly, these ‘new leaders’ are now ‘on the verge of becoming the godfathers of the illegal exploitation of natural resources and the continuation of the conflict in the Congo’ (*Business Day*, 18 April 2001). Talking up such new elites was a major theme of Clinton’s early presidency, yet:

> In reality, [those] leaders […] preside over countries where ethnic and civil turmoil permit unscrupulous international mining companies to take advantage of the strife to fill their own coffers with conflict diamonds, gold, copper, platinum, and other precious minerals – including one – columbite-tantalite or ‘coltan’ – which is a primary component of computer microchips and printed circuit boards (Madsen, 2001:6).

With tantalising commercial networks on offer to elites willing to partake, the turmoil in Central Africa demonstrated how quickly these so-called ‘new leaders’ succumbed to various opportunities on offer in partnership with international capital.

So, whilst Western corporations saw in Kabila a person who they thought would rein in the extravagant corruption that had developed under Mobutu, the shadow...
networks were to continue. However, premature optimism by international interests over the character of Kabila Sr. did create a ‘honeymoon period’ for external capital. Almost immediately, Kabila entered into deals with mining companies, such as AMF and Anglo-American, and Belgian investors such as Texaf, George Forrest International, Petrofina and Union Minière. Indeed, the first major deal signed by Kabila was with AMF, mentioned earlier. International capital’s involvement in the Congo debacle was clearly being run along ‘business as usual’ lines, reflecting a coincidence of interests between foreign interests and local elites. This was very much run in a network fashion with little care for the policies and practices of the elites involved – unless they began to encroach too much on commercial operations. As Madsen writes,

_The United States has a long history of supporting all sides in the DRC’s civil wars in order to gain access to the country’s natural resources. [One report] presents a cogent example of how one US firm was involved in the DRC’s grand theft before the 1998 break between Laurent Kabila and his Rwandan and Ugandan backers. It links the Banque de commerce, du developpement et d’industrie (BCDI) of Kigali, Citibank in New York, the diamond business and armed rebellion. The report states [that] in a letter signed by J.P. Moritz, general manager of Societe miniere de Bakwanga (MIBA), a Congolese diamond company, and Ngandu Kamenda, the general manager of MIBA ordered a payment of $3.5 million to la Generale de commerce d’import/export du Congo (COMIEX), a company owned by late President Kabila and some of his close allies, such as Minister Victor Mpoyo, from an account in BCDI through a Citibank account. This amount of money was paid as a contribution from MIBA to the AFDL war effort (Ibid.)._

The problem for Washington and its allies within Africa was that Kabila Sr. did not seem to be following the script, and rather than rewarding those who put him into power, turned on them. Kabila rapidly turned out to be a forbidding dictator, causing profound alienation amongst former allies. Having alienated the Congolese and Rwandan Tutsis, Kabila was bereft of a proper military force of his own. Desperately in need of such a force, Kabila turned to Mobutu’s former allies and enrolled into his armed forces 10,000 Interahamwe militias and Hutu soldiers of the former Rwandan army (Baregu, 1999). He then claimed that the DRC was being subverted by Rwanda and Uganda in the cause of a pan-Tutsi empire, and on 2 August 1998 ordered all the Ugandans and the Rwandan Tutsis to leave the country post haste. This sparked a pogrom against Tutsis in all towns still controlled by Kabila’s government and provoked a second invasion of the DRC by Uganda and Rwanda in support of anti-Kabila rebels.

_By 1998, the Kabila regime had become an irritant to the United States, North American mining interests, and Kabila’s Ugandan and Rwandan patrons. As a result, Rwanda and Uganda launched a second invasion of the DRC to get rid of Kabila and replace him with someone more servile (Madsen, 2001:5)._

Indeed, so frustrated had international capital become by Kabila’s erratic behaviour and his repeated dishonouring of contracts he himself had signed with foreign businessmen, that (so the story goes) some companies offered Kabila $200 million to clear out of the Congo! (Strandberg, 1999:18) Furthermore, Kabila Sr. began constructing alliances on a private basis with both individual companies that shouldn’t by rights have benefited from Kabila’s emergence and, with African regimes such as Zimbabwe and Angola that were, at best, ambivalent about the encroaching Western influence in the region and at worst (Mugabe in his more
excited flourishes) rabidly ‘anti-Western’. Those taking others’ places had no intention of severing the highly profitable linkages that international capital had constructed in the Congo over many decades, even if it meant that new networks and regional spokes needed to be constructed.

New networks were facilitated by the state of disorder region-wide and the modus operandi this offered for a variety of actors operating within areas where the formal state was in a process of eclipse (Kalele-ka-Bila, 1993; Okitakekumba, 1993). These circumstances in turn increased the likelihood of what Reno referred to as ‘warlord capitalism’ and the ‘shadow state’ (Reno, 1998:26), which retained enough substance to negotiate with and benefit from international capital’s willingness to conduct business with such entities. Certainly, ‘internal disorder need not impede commerce, especially if compact, valuable natural resources are present. A few entrepreneurs may even prefer minimal government control’ (Reno, 2001:187). The profits available can be remarkable and very tempting:

> if the risks are high in Angola or the Democratic Republic of Congo (DRC) where President Laurent Kabila’s troops are battling rebel forces, the business rewards can be dazzling. These and other warring African countries, like Sierra Leone and the Republic of the Congo (Congo-Brazzaville) are rich in mineral deposits with scant, if any, regulatory restrictions – a glittering lure for foreign companies (Financial Mail, 15 January 1999).

**Transnational Networking & Central Africa**

Such involvement in war-ridden spaces reflects the internationalisation of African conflicts, not only through ‘normal’ state-to-state relations for example Paris with Kinshasa, but also through global business networks. Indeed, we are seeing a quite distinctive form of … regionalism in Africa … the emergence of the minerals and mafias syndrome in which scarce resources are exchanged for protection, as well as regime enrichment and aggrandisement (Shaw 2000:406).

Certainly, conflict-ridden spaces offer a form of competitiveness for both patron and client that can prove highly profitable. In this sense we can say that the processes unfolding in conflict areas of Central Africa are constructed by local actors sharing particular interests and agendas, but who do this in partnership with and enjoying encouragement and support from, global business networks. As Latham et al. write, the Great Lakes conflicts, and especially the wars in the Congo, are … impossible to make sense of without accounting for the role of regional and transnational forces … [Such involvements] were neither peripheral nor determinative in the political trajectories of Uganda, the Congo and the Great Lakes region in general. They were, and are, constitutive (Latham, Kassimir and Callaghy 2001:2).

This is most apparent with regards to the ‘big men’ involved in such processes who share an inter-subjective understanding of their own positions of power and prestige, concur on the logic that the state of which they have at least nominal control is ‘theirs’ to do with as they please, and court international capital in order to shore up such constructions. Their activities are permitted and sustained by the transboundary configurations such elites develop that enable huge profits to be evacuated, through networks leading back to the metropoles. Whether this is through the infamous tried-and-trusted ‘confidential’ Swiss bank accounts or through unscrupulous business partners managing such interests, the result is the same: the denuding of Africa’s resources.
This type of regionalisation in Central Africa frames an ‘organised hypocrisy’ of sovereignty which has clearly allowed an assortment of actors to successfully construct a number of international commercial and military alliances involving state leaders and their courtiers as well as private corporations (Krasner, 1999). Indeed, ‘global recognition of even very weak states’ sovereignty and the role such recognition plays in the privatisation of diplomacy and internal security for these regimes serves not only local private interests but also the interests of officials and investors in [outside] powerful states’ (Reno, 2001:186). To a large degree this reflects the uneven manner in which Africa has been inserting itself (or been inserted) into an increasingly globalised world.

**Globalisation, Neoliberalism & Central Africa’s Regionalisation**

Ironically, the neo-liberal principles governing the global economy and that have been foisted onto the continent in the form of structural adjustment programmes and other conditionalities, have provided a structural context that has helped cultivate the forms of regionalisation already discussed. Indeed, global liberalisation has stimulated a variety of regional linkages and cross-border networks, with transcontinental spokes linking such activities to the outside world. Thus instead of bringing about stability and (legitimate) growth, impulses generated by globalisation have contributed to the further deepening and development of criminal networks and decidedly quasi-feudal forms of political economy (Duffield, 1999).

As Reno has argued, two paradoxes are particularly evident in the neo-liberal approach to reform and development in Africa. First, rulers of weak states who face severe internal threats and intense external pressures, are the most consistent and thorough in destroying any remaining formal institutions of state. Second, outside creditors, foreign firms, and even elites from ‘stronger’ neighbouring states participate in or support hard-pressed rulers’ attempts to deal with political events in this unexpected fashion (Reno, 1998:7). This type of solidarity is an apt description of what has occurred in central Africa as the likes of Mugabe and Dos Santos rushed in to aid Kabila, thereby setting in motion the construction of a form of regionalisation not covered in any of the prospectuses of SADC. It seems that it is no longer necessarily the case that presidents are dedicated to a project of establishing control over a specific recognised territory, with all the bureaucratic encumbrances and requirements to maintain some form of consensual balance (Duffield, 1998). Now, the informalisation of economic and political activity can counterbalance the erosion of state capacity and power. By expanding internal and external clientistic networks, elites within conflict-ridden spaces pursue what Duffield refers to as ‘adaptive patrimonialism’ (Ibid.). This regionalisation of course is not at all the type expected when the DRC was granted membership of SADC, although such phenomena are certainly a lot more relevant when discussing the DRC’s role in SADC.

Instead of representing the antithesis of what formal regional projects should look like, the type of alliances and transboundary networks currently reconfiguring Central Africa may well offer a prophetic vision of what may be in store for vulnerable and peripheral areas of the world.

*liberalisation created new opportunities for private appropriation of public resources … More importantly, by reducing the role of the state, the donors both reduced its resources and the opportunities for access to those resources. At the same time the crisis [of development] did not reduce dependence on state resources for private accumulation.*
Corruption has tended to go well beyond the appropriation of surpluses and extend to the looting of the very fabric of the state itself (Szeftel, 2000:303).

This is particularly so where there exist elites who are more than willing to craft shadow networks with international capital bent on the extraction of Africa’s resources for private profit. Such networks are held by the local protagonists as examples of their space’s integration into the global capitalist economy and of their adherence to the hegemonic neo-liberal order. One can almost sense the indignation and frustration of a spokesman from a rebel group in the DRC when he protested that ‘our system is a liberal system, we are not here to interfere, we just ask business people to have the proper documents to do business [in our sphere of control]’ (Botswana Gazette, 20 April 2001).

In a discussion of another area of Africa ravaged by such processes, it is asserted that under SAPs and post-cold war scarcity in the continent, the African state

\[ \text{shrinks both physically ... and sociologically (in terms of the groups it can afford to patronise). The regime's priority attention has to be given to maintaining loyalty among the security services (Richards, 1996:36).} \]

This elevates the role and power of those with weapons and prioritises their needs over the wider needs of society, cultivating warlordism either in service to the incumbent who wears the thin mantle of sovereignty, or to his challengers.

From the perspective of the warlords and ‘big men’, the serious pursuit of formal regionalism does not make sense as they are not interested in any ideal of a regional public good. Furthermore, committing themselves to a formal regional pact may actually create inhibiting factors (norms, sanctions, or collective security) that could threaten the continuation of their activities (Taylor and Williams, 2001:285). The neo-liberal ingredients of globalisation may well then actually legitimise the peeling away of the state whilst at the same time helping to lay the foundations for decay and clandestinity, almost always aided and abetted by various international forces.

At the same time, such processes invite a re-evaluation of the state in Africa. Bayart argues that what might be emerging from the war-shattered spaces in Africa is an intriguing process of state formation, which although unrecognisable using our traditional Westphalian-inspired analysis, may well be an extraordinary ‘alternative’ model of the African state:

\[ \text{dissidence, war and banditry ... do not necessarily threaten the formation or existence of a state. They can, on the contrary [facilitate] its centralisation (Bayart, Ellis and Hibou, 1999:115).} \]

Bayart links this to external intervention and interference, claiming that such processes are ‘related to the manner in which Africa is inserted in the international system through economies of extraction or predation in which many of the leading operators are foreigners whose local African partners have to a considerable degree based their careers on the use of armed force’ (Ibid.). Indeed, the type of transnational linkages illustrated above may very well be the precursor to emerging forms of stateness in parts of Africa. In such cases, it is necessary to take on board Clapham’s commentary on rethinking African states:

\[ \text{The warlord phenomenon illustrates the integration of the different elements in modern African politics from which new systems of rule may be constructed, either in opposition} \]

to the inherited structures of colonial statehood, or indeed through the metamorphosis of post-colonial units into very different entities behind the cover of what Reno terms the ‘shadow state’ (Clapham, 2001:14).

Such ‘shadow states’ must have both military power to ward off rivals and secure space in which to operate and pursue ‘the development of a set of economic linkages to global trading networks’ (Ibid.). The link between such elites and international networks revives aspects of the ‘imperialism by invitation’ that Doyle describes in nineteenth-century Africa. That is rulers during Africa’s late pre-colonial period … commonly took advantage of access to and control over commerce with Europeans to increase their personal power (Reno, 2001:200).

The difference is that the international actors are anxious to gain ‘legitimacy’ through dealing with the ‘sovereign’ entity, internationally recognised. In essence, the Westphalian state system, foisted on Africa by imperialism, means that today there remains a new scramble for Central Africa, only this time by international political and economic actors anxious to secure the signature of the ‘official’ (as opposed to the unofficial) big man. In doing so, this new form of imperialism, interacting with local elites interests, has helped craft a distinctly unconventional form of regionalisation and may be constructing decidedly unorthodox versions of the state, one in which it is extremely unlikely that the average African will be rescued from her distress. Responsibility for such a scenario is shared, for sure, but certainly the unscrupulous activities of international capital must be blamed for stoking the fires and perpetuating further misery for the people of the DRC and beyond. Clearly, the type of regional networking and transnational linkages discussed above have helped sustain the war in the Congo. In this sense, international involvement in the continent continues to further Africa’s tribulations. As the twenty-first century progresses, little – so it appears – has changed.

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Imperialism & Economic Reform in Africa: What’s New About the New Partnership for Africa’s Development (NEPAD)?

John Loxley

In a recent paper, Samir Amin has argued that concern over Africa being ‘marginalised’ is misdirected (Amin, 2002). Africa is more integrated into the global capitalist economy than other regions of the world in terms of the share of its external trade in Gross Domestic Product (GDP) but it is the form of that insertion that explains Africa’s impoverishment. Africa is integrated in a passive way, adjusting to changes rather than initiating them. This is the result of following, essentially, the colonial division of labour, with the super-exploitation and lack of auto-centrism that this entails. But that division of labour is reaching its limits, as evidenced by Africa’s recurring economic crises, its totally unmanageable debt burden and its subjection to recurring rounds of ‘structural adjustment’. Amin argues, as he has for many years now for Africa to begin pursuing an auto-centred approach to development and re-integration into the world economy on new terms. He sees the liberation of South Africa as holding out great promise in this respect but bemoans the fact that, while there has been much talk of an ‘African Renaissance’, ‘… there are not yet viable signals of these hopes crystallising into alternative strategies’ (Amin, 2002:50).

Amin’s paper had obviously been drafted before the release, in October 2001, of the New Partnership for Africa’s Development (NEPAD), a document endorsed by four Heads of State at that time and subsequently supported by the 53 members of the Organization for African Unity (OAU). NEPAD evolved from ‘The Millennium Partnership for the African Recovery Programme (MAP)’ and ‘The Omega Plan’ which, in turn, had given rise to ‘A New African Initiative (NAI)’ (see Kanbur, 2001). It was initiated by Abdelaziz Bouteflika of Algeria, Olusegun Obasanjo of Nigeria, Abdoulaye Wade of Senegal and Thabo Mbeki of South Africa.

This debate seeks to outline NEPAD, examine its strengths and weaknesses and, in passing, assess the extent to which it might represent an alternative strategy of the kind advocated by Amin.

The long-term objectives of NEPAD are poverty eradication, sustainable development, the demarginalisation of Africa in the globalisation process and the promotion of the role of women in all activities (NEPAD, 2001:16). More specifically, it aims for a real GDP growth rate in excess of 7% per annum, on average, over the next fifteen years. In addition, it aims to meet the agreed International Development Goals (IDGs) which are:

- Reducing the proportion of people living in extreme poverty by a half between 1990 and 2015;
- 100% primary school enrolment by 2015;
- Eliminating gender disparities in primary and secondary enrolment by 2005;
- Reducing infant and child mortality rates by two-thirds and maternal mor-
tality by three-quarters between 1990 and 2015;

• Achieving full access to reproductive health services by 2015; and implementing national strategies for sustainable development by 2005 so as to reverse the loss of environmental resources by 2015 (Ibid.).

These goals are ambitious indeed. Average real growth rates of this magnitude for the continent as a whole are unheard of in recent history and are two to three times those realised in good years. With population growth rates in excess of 2% per annum real growth rates per head in sub-Saharan Africa were negative on average throughout the whole period 1975 to 1999 (UNDP, 2001:181.). Half the population of Africa, or 340 million people, currently live on less than $1 a day (NEPAD, 2001:1), life expectancy is only 47 years in sub-Saharan Africa, compared with 60-70 in the rest of the developing world, while under 5 mortality rates are 162 per 1000, the highest in the world by far (World Bank, WDI Data Base, 20 April, 2002). Many African countries have female enrolment proportions in primary school of between 20 and 40% and of boys between 25 and 55%, while gender disproportions at the secondary school level are huge (UNDP, 2001:220-221). The IDGs are as daunting for Africa, therefore, as they are appropriate!

The Programme

The NEPAD programme lays out the political and economic preconditions for sustainable development. It provides for initiatives to strengthen peace and security, to build democracy and good governance and to enhance ‘the quality of economic and public financial management as well as corporate governance’ (NEPAD, 2001:21). Concrete proposals are made to implement these measures with responsibilities for peace and governance being assigned to a Heads of State Forum and those for economic and corporate governance to a task force of Finance and Central Bank representatives. A Heads of State Implementation Committee will mobilise resources and make concrete recommendations to specific African states. Since NEPAD was released several African governments have talked about setting up a ‘peer review’ process under which leaders would review and assess each other’s conduct according to defined standards of good governance and economic performance (Harsch, 2002:26).

Within this general framework, NEPAD seeks to strengthen regional economic integration, enhancing the institutional capacity of the five existing regions to improve infrastructure, human resources, health, agriculture and market access for Africa’s exports. NEPAD then makes a series of sectoral proposals, each accompanied by an action plan.

• Infrastructural development at the continental and sub-regional level. Public-private partnerships (PPPs) are expected to play a major role in this sector;

• A Human Resource Development Initiative seeks to reduce poverty, improve educational access and reverse the brain drain;

• Health sector proposals to fight HIV/AIDS and other communicable diseases, to obtain cheaper drugs, to increase health spending in national budgets and to improve health infrastructure and management;

• Agricultural development and improved food security;

• Environmental sustainability.

Culture and science and technology are also addressed, with a strong emphasis
on protecting and advancing indigenous knowledge, but the latter is also aimed at expanding mineral and industrial production.

The NEPAD will require additional capital flows of 12% of GDP or about $64 billion per annum. While some of this is slated to come from improved domestic resource mobilisation, ‘the bulk of the needed resources will have to be obtained from outside the continent’ (NEPAD, 2001:44). In the short and mid-term, additional inflows are expected from more debt relief and foreign aid, while in the longer term private capital inflows are expected to take up the slack. NEPAD confines these additional flows to nations participating in the Economic and Political Governance Initiative.

NEPAD’s debt relief initiative will build on the HIPC and Paris Club processes but will seek additional relief for NEPAD participants. The ODA (Overseas Development Assistance) initiative will seek more and better use of aid, within the framework of the target for donors of 0.7% of GDP. A Charter would lay down mutual obligations of both donors and recipients and an African equivalent of the OECD/DAC structure would be established to develop a common position on ODA reform. An independent mechanism would be established to evaluate aid performance and a Poverty Reduction Strategy Paper Learning Group would be set up by the ECA. Donor coordination, tied aid and aid quality are seen as areas of concern that need to be addressed in a new partnership approach.

Finally, a series of proposals are made to improve market access, by diversifying production in Africa, especially in agro-processing, mineral beneficiation and the development of a capital goods sector. Diversification will be driven by the private sector, micro, small and medium, and governments would remove constraints on African entrepreneurs to facilitate this. Business incubators will be established to promote private investment. Action plans for improving market access are outlined for the key sectors of the economy.

In terms of global partnerships, the market access initiative envisages external assistance in research, technology and infrastructure and in meeting international product standards. NEPAD calls for the removal of tariff and non-tariff barriers in industrialised countries and for assistance in capacity building in the private sector, in negotiations with the WTO and in trade policy generally. More equitable terms of trade will be negotiated for African countries within the framework of the WTO (Ibid. p.62). NEPAD is seen as offering:

> an historic opportunity for the developed countries of the world to enter into a genuine partnership with Africa, based on mutual interest, shared commitments and binding agreements (Ibid. p. 67).

**Evaluating NEPAD**

There is much to commend NEPAD, perhaps foremost the commitment of Africa’s leaders to peace, democracy and good governance. There can be little meaningful social and economic progress in the midst of war, civil unrest and unrepresentative government. Africa’s leaders have acknowledged this and pledged to work collectively to prevent them. This will be no easy task, as already the four initiating leaders of NEPAD are split on the legitimacy of the Zimbabwean election, but it is a welcome step in the right direction which needs to be applauded and supported internationally.

It is also refreshing for African leaders to work together in a very public manner to try to shape the future direction of Africa’s economic development in quite concrete ways. The emphasis on sub-regional and continental cooperation and integration is surely a sound one, as
many of Africa’s structural problems can be traced directly back to colonial fragmentation of the economy and the dominance of primary export production and trade. There is tremendous potential for economic gains from specialisation and trade within Africa which might, in turn, open up new export possibilities to the world. Harmonisation of trade rules and a much improved transportation infrastructure will be needed for progress in this area. The concern of Africa’s leaders with poverty and HIV/AIDS, the two most pressing problems facing the continent, should also be both applauded and supported, in concrete terms, by the international community.

However, NEPAD is simply an indicative framework, not a detailed action plan, although some concrete actions are specified. How effective the programme will be will depend very much on how it is fleshed out in the coming years and what kind of support it receives, both within Africa and internationally. There are, however, a number of areas that need closer examination and, in some cases, rethinking. The following are some of the more important ones.

**Summitry vs. Popular Participation**

While NEPAD can be applauded for coming out strongly in favour of democracy and responsible government, African critics claim that the programme itself is the result of a non-democratic process, cobbled together by a handful of African leaders, perhaps even with input from the international financial institutions and the G-8. Church representatives have argued that ‘(t)he process that gave rise to the current NEPAD document is seriously lacking because there has been no consultation with Africa’s citizenry, without whose active participation there can be no real partnership and no real development’ (Southern African Catholics Bishops’ Conference, 2002). African trade unions have echoed this sentiment, arguing that the claim of NEPAD being African owned is difficult to accept ‘since the socio-economic partners for its realisation have been ignored in its preparation’ (African Trade Union Conference, 2002). This kind of top-down imposition of major economic policy positions is not unknown in countries which see themselves as being fully ‘democratic’. For the last decade, however, civil society in Africa has been encouraged to become more involved in economic processes and is now less accepting of exclusion than it might have been earlier.

This deficiency need not be fatal for NEPAD as the heads of state introducing NEPAD can at least claim electoral legitimacy but, more importantly, there is scope in the NEPAD process for ongoing dialogue. Civil society organisations have generally not rejected the document but rather pointed out its flaws, this being a major one, and called for civil society involvement in discussions to improve the strategy in key areas. The accessibility of ongoing structures of participation to interested representative organs of civil society will, therefore, be critical, although the lack of participation in drawing up the basic document will inevitably mean that the exercise will be treated with skepticism and suspicion.

**Bringing the State Back In?**

The emphasis that NEPAD places on promoting the private sector simply echoes the current dominance of the neoliberal economic paradigm, as promoted by the IMF and the World Bank. What is not clear is the role of the state in the programme. Presumably it will have the task of improving the general climate of confidence in which the private sector will operate; creating peace and security, enhancing growth and reducing poverty, clarifying and protecting property rights, building business incubators, providing or encouraging training, micro credit, enhancing market access (continentally and overseas), and encouraging private
capital inflows. There are, however, at least three critical areas in which the role of the state and of the private sector requires elucidation and caution.

The first concerns the role of the state in ownership of enterprises and in planning industrial development. NEPAD is silent on both. It explicitly targets agro-processing, mineral beneficiation and the capital goods sector as priority investment and growth sectors, within a framework of greater regional integration. It is not clear what precise role the state will play in developing these sectors. The strong emphasis on promoting the private sector might lead one to conclude it would be minimal in terms of direct ownership and planning. Yet at one point in the document, it is stated that ‘Africa also provides prospects for creative partnerships between the public and private sectors in beneficiation, agro-industries, tourism, human resource development’ (NEPAD, 2001:69), leaving open the whole issue of state participation in ownership. It is not clear what is intended here, but the document as a whole is remarkably silent on the role and conduct of state enterprises, where these still exist. It is also hard to see how the continent can promote a capital goods sector without state input into planning and, possibly, ownership.

The second concern is that NEPAD envisages a prominent if not leading role of public private partnerships in the promotion of private investment in infrastructure, transportation, urban development social services and, as we have seen, in industry. This again echoes the position of international agencies, the World Bank and the UNDP in particular. Nowhere in the document is there any caution expressed about this approach, yet the record of PPPs is far from being a positive one. In Canada, where the author has studied many PPP experiences (Loxley, 1999, 2000) they have suffered from a number of shortcomings concerning costs, accountability, the impact on labour and the quality of services. Both NEPAD and the international community should be cautious, therefore, in the promotion of PPPs in Africa, especially given the limited ability of African governments to monitor these arrangements adequately. Any international assistance given to assist Africa in developing PPP arrangements should not rely on technical assistance from organisations whose sole role it is to boost private sector profits from these arrangements, but should draw on more impartial advice. Workers and consumers likely to be affected should be represented in all discussions and negotiations concerning PPP deals.

The third concern is the uncritical support in NEPAD for the integration of financial markets, both within Africa and globally, and the uncritical promotion of private capital inflows. Not one word is mentioned of the risks accompanying capital market liberalisation, of the potential dangers of Dutch Disease and, more importantly, of sudden capital flight. Yet for countries which have liberalised and have been recipients of large private capital inflows, these risks have been both real and costly. Much more consideration needs to be given to the appropriate regulatory framework within which Africa will integrate its liberalised financial systems and its ability, with existing human resources, to craft and monitor such a framework. Provision should be made early for reducing the volatility of inflows, via Chilean or other reserve or taxation measures, even if this serves to discourage total flows at the margin. Surprisingly, NEPAD does not call for a Tobin Tax which might have that effect as well as providing a source of capital for African development.

‘Aiding’ NEPAD

NEPAD’s position on foreign aid is quite contradictory. On the one hand, it is clear that the bulk of the additional $64 billion a year being sought to fund the programme would have to come mainly
from foreign aid. Domestic resource mobilisation is expected to fund less than a half (no numbers given); foreign direct investment is expected to be a long run proposition; debt relief, if it materialises, would be built on HPIC initiatives, leaving aid to pick up most of the slack. In the health field alone, the hope is for an additional $10 billion a year. At the same time, the NEPAD authors claim that Africa is not appealing ‘for further entrenchment of dependency through aid’ (Ibid. p.1). Since total aid is currently $14 billion a year, twice the size of private capital inflows (which are, in any event focused on only a handful of countries in Africa), and the equivalent of about 4.4% of GDP in sub-Saharan Africa, it is hard to see how doubling or tripling this amount would not increase dependency. There is nothing in NEPAD to address this issue and what is needed is some consideration of how the continent would avoid becoming dependent upon aid in the long-term, how it could phase out the need for aid. Simply assuming that private capital inflows will eventually replace the need for aid will not do, even if this were to come to pass, private flows are not entirely substitutable for aid in terms of usage (e.g. ‘for profit’ money is unlikely to fund HIV/AIDS clinics) and is unlikely to flow in exactly the same direction as the aid it is intended to replace.

But the contradictions go further. After years of quite high dependence on foreign aid, the NEPAD document makes no attempt to assess the possible role played by aid in the development of the continent’s economic and political problems. It is as if aid is entirely beneficent, a completely positive phenomenon capable of existing harmoniously and constructively with whatever domestic problems a recipient country might be experiencing, but certainly not contributing to these problems. Yet the NEPAD document acknowledges, implicitly, that this is not the case in practice by calling for an Aid Charter and for a mechanism to monitor aid performance. These are important proposals which the international community should endorse if there is any genuine interest in partnership with Africa and both should be premised on a less sanguine view of the role of aid in the past.

**Beyond Neoliberalism?**

NEPAD is correct to emphasise that the HIPC initiative does not go far enough for low income countries and does nothing for middle income debtors. Even after debt forgiveness, debt/export ratios for eligible countries would still average 150% and for the 22 countries reaching their decision points in 2000, debt servicing will fall only from $2.7 billion to $1.9 billion (Development Committee, 2001:5). In line with the Jubilee 2000 campaign, much more comprehensive forgiveness is called for, especially on non-ODA debt, and should be accomplished without it negatively affecting aid receipts.

The debt problems of developing countries are used by the international financial institutions and the international community generally to impose policy conditionality upon them. In Africa, the outside prescription of domestic economic policy has been a long-term fact of life. This is particularly true of HIPC countries which were conditioned by the IMF/World Bank for many years before applying for HIPC relief. Thus, between 1980 and 1991, HIPC countries on average undertook six such adjustment programs, lasting almost six and a half years each and they accounted for 80% of all SAPs and ESAPs to 1994 (Serieux, 2000). That long term conditionality did little to alleviate their debt problems, promote economic recovery or relieve poverty. Yet, NEPAD uncritically endorses the HIPC process and the conditionality which attaches to it. In fact, it goes further by adding another layer of economic and political conditionality to African countries wishing to seek additional debt relief through the NEPAD process by
requiring them to sign up on the Economic and Political Governance Initiative.

A charitable interpretation of NEPAD conditionality in this area is that, if successful, it might replace altogether the external dependency imposed by the IMF/IBRD and bilateral aid donors. There is a passing reference in NEPAD to a debt forum to share experiences and ideas that ‘may end the process of reform and qualification in the HIPC process’ (NEPAD, 2001:45). There would, however, be no historical precedents for the international institutions to cede their powers to other bodies representing borrower nations. Cynics might argue that they would in any event only consider doing so if the resulting conditionality was no different in content and no less stringent than their own, in which case what would be the gain?

African critics of NEPAD assert that the programme is based on exactly the same neo-liberal economic policies currently imposed from outside (African Trade Union Conference, 2002) and on exactly the same globalisation policies that have failed ‘to lift Africa out of socio-economic decline’ (Southern Africa Catholic Bishops’ Conference, 2002). Previous African efforts to recast structural adjustment programs in a more socially responsible manner, such as the African Alternative Framework for Structural Adjustment (UNECA, 1989) are simply ignored. Civil society organisations have called for a better balance between market and social sustainability, one which would pay more attention to social safety nets in the design of adjustment programs (African Trade Union Conference, 2002).

Similarly, there is concern in Africa that poverty reduction will be driven mainly by economic growth. NEPAD assurances to the contrary, there is nothing in the programme that addresses poverty directly. The experiences of countries which have managed to make a significant improvement in poverty, equality, nutrition, health, literacy and education, even in periods without high growth rates, for example Sri Lanka, China and Cuba, are simply ignored. In fleshing out NEPAD in the future, more attention must be given to programs impacting directly on social well being. This issue is directly related to the earlier point about democracy in economic decision making. Poverty Reduction Strategy Papers (PRSPs) are currently the main vehicle for popular participation in proposals to reduce poverty. The African experience of these has been a mixed one and PRSPs are frequently sent back by IFIs to national organs for modification, thus raising important questions about the balance of power between national and local actors and the IFIs in designing appropriate adjustment and poverty reduction programs (Loxley, 2002). Apart from a fleeting and tantalising reference to supporting the Economic Commission for Africa in its efforts to set up a PRSP Learning Group, suggesting that all is not well with the PRSP process, NEPAD uncritically endorses the approach.

Globalisation & Market Access

The proposals in NEPAD for greater access to the markets of industrialised countries are ones which receive wholesale support from critics of the programme. There is a widespread perception in Africa that African goods are unfairly excluded from these markets by high tariffs and by quotas. To the extent that this perception is accurate, industrialised nations should be prepared to relax their restrictions on African goods, making appropriate provision as they do so for the retraining and of workers affected negatively in their own countries and their placement in alternative employment.

While improving access will not have much impact on most African countries, whose production structures do not permit exports of the goods concerned, it
will have some impact for countries such as Lesotho whose textile sector is now the largest employer of labour. Buoyed by increased US imports under the African Growth and opportunity Act (AGOA), it now employs 40,000 workers. But concern for improved market access must not be allowed to hide some serious problems accompanying this type of industrialisation. In Lesotho, the textile industry is owned largely by foreign companies with the state providing a six-year tax exemption. The Lesotho Clothing and Allied Workers Union claims that the success of the industry is also attributable to the gross exploitation of labour, as companies ignore local laws protecting workers, which they can do with impunity since top government officials are share holders with the foreign companies. Poor working conditions, unduly long working hours, low wages and anti-union activities are said to characterise the industry.

As trade with the LDCs is liberalised, therefore, local labour laws need to be strengthened and enforced. This will require political action in both the producing countries and in the countries importing the goods and will not be easily accomplished. Attempts by labour and civil society in Canada to negotiate appropriate labour standards for imported goods with representatives of the retail, apparel and shoe industries broke down in 2000 (Hibler, 2000:23). NEPAD itself is also silent on the issue of ‘a universal application of core labour standards in Africa’ (COSATU, 2002) and this is a major shortcoming.

Since clothing figures prominently in improving market access, African leaders should give some consideration to the implications for African development of the used clothing business. In 24 of the African countries with which Canada trades, for instance, used clothing is in the top three exports (North-South Institute, 2000:69). This is a thorny issue, not unrelated to broader ones concerning poverty and the relatively high price of locally produced textiles (which makes it profitable to ship second-hand goods half way around the world), but is one that needs addressing.

**On Global Governance**

NEPAD raises some interesting issues in the area of global governance but these need fleshing out further. It calls for Africa to receive Special Drawing Rights (NEPAD, 2001:44), a relatively painless way in which industrialised countries might support Africa financially. But this is a mere passing reference with no sums attached and no discussion of possible conditionality.

NEPAD also talks cryptically about the need to ‘negotiate more equitable terms of trade for African countries within the WTO multilateral framework’ (p.62), but it is not at all clear what this might mean, given the restrictions of that framework. Finally, it calls for reform of the IFIs, ‘to better cater for the needs and concerns of countries in Africa’ (p.62), but again, no concrete proposals are made so one is left wondering what, precisely, NEPAD has in mind.

NEPAD was endorsed by world leaders at the June 2002 G-8 meeting in Kananaskis, Canada. An agreement was signed with the four African leaders who initiated it, committing the G-8 to:

- Directing at least a half of the $6 billion in extra resource flows committed to Africa at the UN Conference on Financing for Development in March 2002, to African countries pursuing good governance, investing in their people and promoting economic freedom;
- Adding ‘their share’ of up to $1bn to the HIPC initiative to offset the impact of low commodity prices on debt reduction targets;
• Eradicating polio by 2005 and combating HIV/AIDS, malaria and TB;
• Significantly increasing funding for basic education and;

The G8 were particularly taken with the peer-review process which, they said, ‘will inform our considerations of eligibility for enhanced partnerships’. At the same time, they were careful to point out that ‘we will each make our own assessments in making these partnership decisions’ (Government of Canada, G8 Summit Documents, July 2002, p. 2).

This level of support is hopelessly inadequate to meet NEPAD’s own estimates of Africa’s needs, and it could be argued that it did not add up to a nickel more than had already been committed. The agreement with the G-8 also targets financial commitments to countries meeting the NEPAD objectives, putting more strain on those that do not, whatever their motivation.

**Conclusion: NEPAD’s Future**

NEPAD was endorsed by the G8 because of its sponsorship by prominent African leaders and because of a growing recognition that Africa’s pressing problems do need to be addressed. That NEPAD does not challenge conventional wisdom on structural adjustment and debt management in any significant way, while at the same time committing Africa to police itself on implementing neo-liberal economic policies, further endears it to the IFIs and to leaders of the industrial powers. This endearment will not, however, deliver the huge increases in foreign aid on which it is dependent, a foundation which is as flawed as it is unrealistic and which in no sense can be considered a departure from past economic strategies. NEPAD’s emphasis on agro-processing and minerals as a development strategy also hardly appears to be ‘new’.

Given these features of the programme, NEPAD clearly would not meet Amin’s call for an alternative economic strategy but rather, is best seen as a continuation of the colonial division of labour model which he rejects as being at the root of Africa’s problems.

NEPAD does offer, however, the possibility of more genuinely African solutions emerging from its process, whether they be auto-centric or otherwise. It is for this reason that many organs of civil society in Africa, while being very cautious and critical about it, have not rejected it out of hand. And it is for this reason alone that it may be worth supporting. For possibilities to be translated into realities, NEPAD will have to become a more open, consultative process and the programme will need reformulating and refining in some of the areas discussed above. In particular, the role of the state must be clarified and a less romantic approach taken to public-private-partnerships. Poverty must be addressed head on and serious steps taken to improve and protect the working conditions of labour. A closer look at appropriate forms of conditionality – less intrusive, more socially oriented, more popularly based – is required and the constraints within which greater capital account liberalisation will proceed must be defined carefully. All of this may, however, be too much for the NEPAD process to sustain.

There would still be a role for international support; the question is whether or not it would be forthcoming if the above inadequacies of NEPAD were addressed. Improved market access will help a little but the structural transformation of Africa is required so that improved access can be taken advantage of fully, although it is unlikely that international donors will be willing to finance this. Greater economic integration within Africa and broad-based debate about what an alternative economic strategy might look like,
must surely be a prerequisite for replacing the colonial division of labour and as a launching pad for promoting non-traditional exports. This, again, would have to be a largely African effort. Beyond this, international support would still be needed. Deeper debt forgiveness, a stronger commitment to fighting AIDS/HIV, more and better coordinated aid, and the use of more imaginative and less intrusive international financial flows, such as a financial transactions tax and issues of SDRs, would all be useful and important ways of supporting NEPAD and should be part of a progressive agenda in support of African transformation. Finally, reforms of the international organisations which give a greater voice to poorer countries should be endorsed and promoted, in consultation with those countries.

NEPAD itself then, leaves much to be desired but it holds out promise because of the process it has established of securing popular input and because of the commitment of African leaders to peace and security. While the strategy being proposed seems to continue old, contested approaches, it does also promote departures in policy that might allow more integrated African development and new forms of participation in the world economy. Fulfilling this promise will certainly require popular pressure on Africa’s leadership. It may also require much less dependence on foreign aid, debt and conventional conditionality than NEPAD currently accepts.

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Bibliography


A Back Door to Globalisation? Structural Adjustment, Globalisation & Transborder Trade in West Africa

Kate Meagher

Neo-liberal economic reforms were widely expected to rein in Africa’s unofficial transborder trade through liberalisation and closer integration into the global economy. Instead of disappearing in the face of structural adjustment and globalisation, however, West African transborder trading systems have been restructured and globalised. This article analyses how the West African experience of economic restructuring has led to an expansion and deepening of unofficial trade, as well as the globalisation of its activities. A clear understanding of this process has been blurred by the ideological manipulation of perspectives on informal economic activity by proponents of the neo-liberal reforms. By means of a deconstruction of populist analyses and more recent narratives of criminalisation, this article traces the contemporary evolution of transborder trade. The conclusion reached is that, while transborder trading structures represent important institutional resources for economic development, they are structurally incapable of integrating West Africa into the global economy in the absence of an appropriate regulatory framework.

Introduction

In the heyday of African economic reform, structural adjustment was seen as the ultimate weapon against the extensive informal transborder trading systems of West Africa. Neo-liberal policy makers saw parallel economies as a by-product of market distortions, claiming they would be reabsorbed into the formal economy when distortions were removed by liberalisation and exposure to global market forces. In West Africa, however, transborder trade has proven itself to be more than an epiphenomenon of distorted markets. Under the influence of structural adjustment and globalisation, these transborder trading structures have not disappeared, but have themselves been restructured and globalised. In fact, despite the contraction of some dimensions of the parallel economy, the overall effect of structural adjustment and globalisation in West Africa has been a significant expansion of transborder trade. This expansion has taken place in the context of a dramatic transformation of the trade, involving shifts in the direction and composition of trade flows, as well as far reaching changes in the organisation of parallel trading networks, and in the role of parallel currency markets. These changes have had profound implications for the effectiveness of market reforms in West African economies, as well as influencing the ability of West African countries, and Africa generally, to stake a claim in the global
economy. As faith in structural adjustment wanes, West African transborder trading networks seem set to claim the 21st Century, by hook or by crook.

**Neoliberal Dilemmas**

The flexibility and resilience of transborder trade has produced tensions in the ideological representation of informal trade in African development. These tensions are expressed in the tendency of transborder trade to shift between the roles of villain and hero in the project of market reform, depending on whether it is perceived as an impediment to, or a force for, liberalisation. In the early 1980s, when transborder trade had reached crisis proportions in many African economies, it was characterised as the product of price distortions, which led to a haemorrhaging of foreign exchange-earning capacity into neighbouring countries. The existence of such parallel trading activities therefore constituted a *justification* for drastic market reforms, which would rectify structural imbalances and eliminate transborder trade (World Bank 1981). By the end of the 1980s, governmental as well as popular resistance to structural adjustment reforms instigated a search for local constituencies supportive of liberalisation. This process ideologically transformed transborder trade from a product of price distortions into an activity rooted in pre-colonial economic organisation. Transborder trade was consequently affirmed as an activity that:

- increases competition, supplies products across borders ... provides opportunities for employment in neighbouring countries, and encourages entrepreneurial activities (World Bank, 1989).

Far from constituting a threat to national economic survival, transborder trading activities were cast as a form of *popular resistance* to the failures of the state (Igue, 1985; MacGaffey, 1987; World Bank, 1989). Transborder trade was also credited with generating opportunities for independent accumulation and productive investment, thus providing the basis for the development of an authentic ‘indigenous bourgeoisie’ (MacGaffey, 1988, 1991; Igue, 1985; Chazan, 1988; Diamond, 1988).

From the late 1990s, however, the ideological tide appears to be turning against transborder trade once again. There is increasing frustration with the tendency of transborder operators to exploit the differential implementation of structural adjustment reforms between West African countries, accompanied by growing concern with the rising tide in many African states of corruption, violent conflict, the plunder of natural resources and involvement in the trafficking of drugs, arms and conflict diamonds (Castells, 1998; Lewis, 1994; Reno, 1995, 1998; Richards, 1996; World Development Report, 1997). This has focused attention on the seamier side of transborder trade, and raised questions about its capacity to nurture productive investment and competitive market behaviour within the context of increasingly deregulated and privatised economies.

The task of this paper is to peer behind the heavy ideological veils in which most of the literature on transborder trade is shrouded, and attempt to discover the actual economic and political implications of these unofficial trading activities in the context of structural adjustment and globalisation. In an attempt to zero in on the actual processes at work, this article will address three key themes in the contemporary development of the trade: structural adjustment, globalisation, and the fortunes of the nation-state. Taking each in turn, we will gain a clear picture of the political economy of transborder trade, its global linkages, and the limits of its developmental prospects.
Before proceeding with the analysis, however, it is necessary to highlight the distinction between the informal and the criminal dimensions of transborder trade. Following the convention in the informal economy literature, informal transborder trade refers to the import and export of legal goods outside of official channels (Castells and Portes, 1989; Lindauer, 1989). Criminal trading activities, by contrast, refer to the trade in illegal goods, such as arms, narcotics or human beings, the purchase and ownership of which by members of the general public is deemed socially undesirable, regardless of the distribution channel. The increasing tendency to blend these two distinct categories of illegal trading activity has led to a blurring of their very different social and historical dynamics. While this serves the interests of neo-liberal ideologues and academic entrepreneurs, it seriously weakens the empirical and analytical value of contemporary perspectives on African transborder trading networks (Farrell et al. 2000).

Adjustment & the Transformation of Transborder Trade

A Brief History of Transborder Trade in West Africa

Transborder trading networks are not vestiges of pre-colonial economies, or recent reactions to economic imbalances; they are historically grounded economic systems, involving actors and institutions capable of responding to new incentives and defending their interests. The survival and growth of the trade into contemporary times has benefited from its long institutional history, but has depended as much, if not more, on the capacity of trading networks to adapt to changes in political organisation, transport and communications technology, trends in the world economy, and the constraints and opportunities created by shifts in monetary and fiscal policies among the countries of the West African sub-region. In the process, transborder trading systems have undergone dramatic transformations in almost every aspect of their operation and organisation. (Asiwaju, 1976; Igue, 1977; Lambert, 1988; Sall and Sallah, 1994; Hashim and Meagher, 1999; Meagher, 1997).

Two changes that took place during the post-independence period were central to the expansion of transborder trade. The first involved the delinking of many of the former British West African colonies from the Sterling Zone between the late 1960s and mid-1970s, while the Francophone states remained integrated into the semi-convertible Franc Zone. The second was the adoption in the tiny states of Benin, Togo and the Gambia (and to a limited extent, Niger), of economic development strategies based on liberal import regimes and the transiting of goods to their more protectionist neighbours (Igue, 1977; Meagher, 1997). Structural adjustment programmes introduced in the 1980s aimed to redress the resulting imbalances and eliminate incentives for transborder trade. Instead of eliminating the trade, however, they only ushered in a new phase in its development. While many of the old transborder opportunities associated with the developmental state were closed off, new opportunities emerged in the context of economic liberalisation.

Structural Adjustment, Economic Turbulence & the Expansion of Transborder Trade

It is one of the great ironies of structural adjustment that it has in many parts of West Africa led to a boom in transborder trade. The conventional adjustment prescriptions for restoring economic equilibrium have produced a veritable free-for-all in parallel commodity and currency markets. Although frequently blamed on the differential,
and often partial, application of structural adjustment policies among different countries in the sub-region, the resilience of transborder trade is due as much to the manic, and often disorganising effects of dramatic devaluations, widespread liberalisation, and an unprecedented squeeze on popular livelihoods. The upshot is that adjustment has precipitated a deepening of the economic penetration of transborder trade both as regards national territories and popular livelihood and accumulation strategies.

Although structural adjustment reforms were designed to eliminate destabilising policy disparities, the adoption of adjustment programmes on a case by case basis has tended to exacerbate these disparities, owing to wide variations in timing, emphasis and degree of implementation. Differences in political and monetary regimes, in the pressures of major interest groups, and in national developmental constraints and objectives have served to perpetuate significant disparities in monetary and fiscal policies even after the adoption of structural adjustment programmes throughout the West African sub-region (Lambert, 1994). While regimes were sometimes swayed by the need to pacify clients and allies, others were constrained by demands of more legitimate interest groups, including manufacturers, professionals, and poor urban consumers – now recognised as representatives of civil society (Harbeson et al. 1994; Kasfir, 1998).

Indeed, the uneven topography of structural adjustment has been as much a result of objective differences in national economic structure as of perceived political recalcitrance and corruption. For example, the peculiarities of the Franc zone left many West and Central African countries immune to devaluation until 1994, which would have precipitated distortions in currency relations with their non-Franc Zone neighbours however assiduously structural adjustment policies were applied. Similarly, wide variations in the resource endowments and developmental objectives of West African countries strongly influenced the way in which adjustment policies were implemented. West Africa’s small entrepôt economies, as well as economies for which the provision of cheap food was critical to stability or food security (such as Guinea, Mauritania and Niger), were more amenable to trade liberalisation. By contrast, countries which had invested heavily in the development of agriculture or industry, such as Mali, Senegal and Nigeria, retained a much higher degree of protectionism in their adjustment programmes (Lambert, 1994; Hashim and Meagher, 1999).

The result was that structural adjustment perpetuated, and in some cases intensified, fiscal and monetary disparities between countries in the sub-region, and the liberalisation of commodity and currency markets has facilitated rather than discouraged their exploitation. The liberalisation of currency markets has given a boost to transborder activities by providing easy access to foreign exchange through the legalisation, or at least semi-legalisation, of the parallel currency trade. This has tended to eliminate the cumbersome need to engage in parallel exports in order to obtain the foreign exchange for parallel imports, thereby speeding up turnover time, and permitting greater expansion in the scale of operations (Hashim and Meagher, 1999). Similarly, the liberalisation of international trade and local commodity marketing has facilitated the exploitation of cross-border price disparities. It should be recognised, however, that these price disparities derive as much from differences in comparative advantage and levels of industrial and agricultural development, as from insufficient liberalisation.
The persistence of transborder trade in West Africa is not, however, just an issue of uneven liberalisation. Structural adjustment has created a general environment of disarray throughout the official economy which has contributed greatly to the growth of transborder trading opportunities. Sall and Sallah (1994) and Mustapha (1993) indicate that the turbulence in export crop marketing following the privatisation of marketing boards in the Gambia, and their dissolution in Nigeria, provided a wealth of transborder opportunities, not only for transborder trading networks, but for official marketing agencies, for formal sector firms in need of foreign exchange, and for desperate farmers in search of buyers for their crops. While these disruptions settled down in a year or two after liberalisation, they had the longer-term effect of reinforcing the awareness of, and recourse to, transborder marketing strategies at all levels of society. Overall, the dramatic policy changes and dizzying instability created by adjustment has had the ironic effect of reinforcing confidence in the informal economy.

Perhaps more importantly, the recessionary conditions of adjustment have intensified the need among both traders and consumers to cut costs, and trading outside official channels provides an effective means of doing so. Throughout West Africa, the effects of devaluation, inflation and declining real incomes has produced an intensifying contradiction between the rising cost of goods and declining effective demand. This has encouraged, among other things, an increasing evasion by traders of duties, tariffs and taxes. Even in entrepôt economies, which had officially encouraged transborder flows since the 1970s, structural adjustment has triggered a massive shift into unofficial trading circuits in an attempt by traders to evade even the low level of duties and taxes imposed within these states (Egg, 1993; Gregoire and Labazee, 1994). Official records in Benin and Niger, which used to provide a fairly reliable indicator of transborder flows to Nigeria, are now estimated to under-report these flows by as much as 30-40 per cent (Hamadou, 1996; Naudet, 1993; Igue and Soule, 1992).

At the popular level, the strangulation of popular livelihoods in the context of rising unemployment and nose-diving real incomes have encouraged increased participation in transborder activities as a means of income generation. The same processes have encouraged official complicity with transborder activities, as officials of all ranks struggle for survival, or just try to profit from the confusion. The pressures of adjustment on popular livelihoods have also encouraged a shift of consumer demand from locally produced or officially imported goods to lower-cost alternatives supplied through transborder trade. Unofficial imports from overseas keep prices down by evading the payment of tariffs, duties and other forms of tax. Nigerian goods, rendered incomparably cheap by the massive devaluation of the Naira, have also become staples of transborder circuits across Africa (Egg and Igue, 1993).

Despite sensationalist claims to the contrary, financing for increased transborder activities is not provided largely by conflict diamonds and drugs (Bayart et al. 1999; Reno, 1998). Privatisation and new more fungible forms of international assistance (such as import support funds, debt buy-back schemes and funding for local NGOs) have also played a critical role in the promotion and financing of transborder activities. In many cases, the privatisation of crop marketing has involved the allocation of credit from the state in order to enable private traders to buy crops in place of the marketing boards. In Mali and Niger, these funds are often redeployed into transborder trading circuits, either for the purchase of cheaper crops across the border, or for the purchase and resale of other cross-border consumer goods (Lambert, 1994; Amselle and Gregoire, 1988). In Benin, inflows of donor capital in the early 1990s to fund structural adjustment and democratisation revived the collapsed
banking system, which used a large part of these new funds to finance the recovery of Benin’s transborder re-export activities (Egg and Igue, 1993).

The upshot of these various factors has been an expansion in transborder trading activities since the mid-1980s. The available evidence suggests that there has been an increase in the actual quantity of transborder flows, as well as a deepening of the penetration of transborder operations into the heart of national territories (Meagher, 2001). Liberalisation on both sides of national borders has encouraged the extension of transborder circuits from the border areas to the whole of the national territory, and beyond (Hashim and Meagher, 1999; Bach, 1997). Since the late 1980s, transborder flows of Nigerian petrol, grain and fertilizer, which were once confined to the border areas of central Niger, have penetrated to the far north and west of Niger, with a considerable quantity traded onward to Mali, Burkina Faso and Ghana (Mas, 1993; Naudet, 1993).

Patterns of Transformation: Criminalization or ‘Downmarket Shift’?
Liberalisation has not just contributed to the extension of transborder trading circuits; it has forced them to restructure in order to remain competitive. In some cases, reductions in price disparities have squeezed profits, provoking a decline in transborder flows in a range of local agricultural commodities, and driving out many small-scale transborder operators (Flynn, 1995; Egg and Igue, 1993; Hashim and Meagher, 1999). These developments have been met with shifts from declining transborder activities into those with greater promise, and with new strategies to combat the impact of liberalisation on profits margins. Some commentators have observed that these pressures are encouraging a shift into criminal activities as traders and the unemployed search for new sources of profit (Allen, 1999; Bach, 1995; Labrousse, 1999; MacGaffey and Bazenguissa-Ganga, 1999, 2000). Evidence suggests, however, that the dominant trend has been the reverse: a massive shift to cheap low-quality consumer manufactures from Asia and Nigeria (Bayart et al. 1999; Egg and Igue, 1993).

Available data on transborder flows supports the contention that there has been an increase in transborder flows of consumer goods from the world market during the first decade of structural adjustment. In Benin, the annual value of world market imports of principal commodities re-exported unofficially to neighbouring countries rose from an annual average of 37.4 billion F CFA in 1983-86 to 54.6 billion F CFA (pre-1994 values) in 1993-96 (Igue and Soule, 1992; Galtier, 1997). Similar trends are evident at the Nigeria-Niger border (Gregoire, 1986; Egg and Igue, 1993). In the Gambia, largely unofficial re-exports of imported consumer goods are reported to have grown by 27 per cent in 1992/3 (Sall and Sallah, 1994). Despite sensationalist claims to the contrary, the main commodities involved are textiles, used cars, cigarettes, electronics and other consumer goods.

Transborder flows of manufactured and subsidised goods from Nigeria have also increased dramatically under adjustment, in the face of a rapidly devaluing Naira accompanied by increased demand for cheaper goods throughout West Africa. Subsidised Nigerian petrol, which accounted for only 10-20 per cent of Niger’s fuel needs in the early 1980s, was, by the early 1990s estimated to account for 50 per cent of Niger’s and nearly two-thirds of Cameroun’s fuel consumption (Egg and Igue, 1993). Nigerian-made building materials, spare parts, textiles, soap, pomade and pharmaceuticals have enjoyed a similar boom in transborder distribution (Egg and Igue, 1993; Gregoire and Labazee, 1994).
Trends in flows of criminal commodities are not as well documented, though the reasons are as much ideological as practical. As several commentators have noted, studies on the subject tend to be long on anecdotes, hearsay and innuendo, and short on substantiated information or systematic comparisons with transborder trade in legal commodities (Allen, 1999; Bernstein, 1999; Farrell et al. 2000; Shaw, 2001). Credible estimates suggest that flows of conflict diamonds in West Africa reached about $400 million in 1998, though a significant quantity were diverted from Angola (Partnership Africa Canada, 2002; Sherman, 2000). Estimates of illicit arms and drugs flows are more vague and subject to exaggeration, and tend to gloss over the fact that West Africa acts largely as an entrepôt in the drugs trade, while the main profits are concentrated in the centres of production and consumption (Allen, 1999; Labrousse, 1999). On balance, there is little evidence that the share of goods in West African transborder circuits outweighs the trade in cheap and used consumer goods – a point admitted even by those who make the charge of criminalisation (Bayart et al. 1999:30).

It should also be noted that the trade in criminal commodities is not merely a product of opportunistic shifts in the commodity portfolio of transborder operators. On the contrary, criminal activities are linked to the entry of new participants thrown up by the social and economic upheavals of structural adjustment. The moral code, as well as the commercial skills, of many of the mainstream transborder commercial networks are incompatible with participation in the trade in criminal goods (Meagher, fieldwork; Bayart et al. 1999:29). Trafficking in diamonds, drugs, arms and prostitution has more to do with rebel armies, unscrupulous officials and unemployed youth than with West Africa’s indigenous commercial groups and struggling popular classes (Labrousse, 1999; Reno, 1998; Richards, 1996).

The only aspect of transborder trade that appears to have been declining involves flows of local agricultural commodities, particularly after the devaluation of the CFA Franc. Flows of agricultural commodities from Niger into Nigeria fell from 15-20 billion F CFA in the 1980s to less than 5 billion F CFA in 1990, while flows of Nigerian grain into Niger fell from 100-200,000 tonnes in the 1980s to around 80,000 tonnes in 1995 (Egg and Igue 1993; Meagher et al. 1996). Although transborder trade is alive and well in West Africa, it has been more successful in stimulating low value imports from the world market than local primary commodity production.

Globalisation: Connectivity & Marginality

Like structural adjustment, globalisation has tended to stimulate rather than eliminate informal activity across Africa, creating the need for a more systematic analysis of its impact on informal economic organisation. Three features of globalisation have played a key role in promoting the expansion of transborder trade in West Africa. These are: the imposition of a global liberal policy agenda, rapid technological change in transport and telecommunications, and the growth of global financial markets. These global trends have further contributed to the expansion and restructuring of transborder trade.

Regarding the first issue, the enforcement of a global policy framework of deregulation and privatisation lies behind the widespread imposition of structural adjustment. As discussed above, the implications of this process have generally been to facilitate the expansion of transborder trade.

Second, advances in transport and communications technology have also contributed to the development of transborder trade by facilitating the operation, consolidation
and extension of transborder trading networks. They improve interaction with informal overseas contacts, as well as facilitating the establishment of formal commercial relations with overseas firms. The official complications of ordering and arranging shipments have been greatly reduced by the globalisation of communications and information technology. Using telephones, faxes, the internet, and electronic banking, transborder operators can place orders, arrange delivery and remit payments for international goods without passing through regulated channels or having to resort to developing personal contacts abroad. Because of the limited availability, and often poor quality, of communications infrastructure in many West African countries however, the growing role of modern telecommunications and information technology in transborder activities has tended to reinforce the comparative advantage of large-scale urban based operators relative to small-scale rural actors.

Third, the growth of global financial markets, which derives from the fusion of advances in communications technology with financial deregulation, has made a powerful contribution to the development of transborder trade. Not only has it increased the ease with which payments can be made by transborder operators to their overseas suppliers, it has also facilitated access to foreign exchange with which to purchase imports or engage in currency speculation. Reduced levels of monitoring of financial transactions, combined with the increased speed of international and inter-continental currency movements have reduced both the risk and the turnover time of transborder activities.

In the case of Nigeria, the deregulation of global as well as local financial markets during the 1980s facilitated the development of a strategy for the large-scale conversion of CFA Francs into hard currencies by recycling them through foreign banks, largely in England and Saudi Arabia (Hashim and Meagher 1999; Meagher et al. 1995). Following the Franc Zone currency reforms of 1993/94, new strategies for the procurement of foreign exchange in Nigeria and the Gambia involve the electronic recycling of currency through Europe from the banking systems in neighbouring Franc Zone countries (Hashim and Meagher 1999; Sall and Sallah 1994). Other informal currency conversion and international remittance systems, similar to the hawala systems of South Asia and the Middle East, have also increased their efficiency by incorporating the use of credit cards, e-mail and electronic banking (Hashim and Meagher 1999; Jost and Sandhu 2000).

**Changing Geographies of Transborder Trade**

The process of globalisation has greatly promoted two central aspects of informal economic restructuring, namely, a decline in the propensity to operate in export-import circuits, and the expansion of inter-continental as opposed to merely regional trading networks. The decline in the circuit organisation of the trade is a direct result of the liberalisation of financial markets in the context of continued access to semi-convertible CFA Francs. Although commentators on transborder activities in East and parts of Central Africa suggest that export-import circuits still define the logic of the trade owing to the need to obtain unofficial supplies of foreign exchange (Ellis and MacGaffey, 1997; MacGaffey and Bazenguissa-Ganga, 1999; Chachage, 1995), this has, for the moment, ceased to be a central aspect of the trade in West Africa. Only small-scale operators, border populations and rebels, who have little access to major parallel currency markets normally located in urban centres, are still likely to depend on export-import circuits in their transborder trading activities.
The expansion of the inter-continental dimension of transborder trade, long ignored in the literature, has recently become the focus of increasing international concern. The importance of overseas imports in unofficial trading circuits since colonial times indicates that transborder trade has never been a purely African affair (Asiwaju, 1973; Baier, 1980; Igue, 1977). Direct links with European countries became a central feature of transborder operations in the post-independence period, and direct trading contacts with North America, Australia, and Asia have gained in importance during the 1980s (Gregoire, 1992; Labazee and Gregoire, 1993; Hashim and Meagher, 1999). However, prior to structural adjustment, more rigorous controls on commodity and currency movements, and the limited international exposure of many indigenous long-distance trading groups, necessitated a complex system of import through liberal entrepôt economies by traders and officials with international connections followed by distribution to other West African countries through local commercial correspondents (Hashim and Meagher, 1999). Since that time, the increasing globalisation of transport, finance and communications networks, combined with the liberalisation of commodity and financial markets, have both facilitated and instigated the expansion of inter-continental operations among a much wider range of West African trading networks. In the process, squeezed profit margins have motivated several previously regional networks to bypass their better connected middlemen and enter directly into inter-continental trading operations.

For example, Hausa-Fulani networks have expanded from a trade based predominantly on relations with Maradi, Niamey and Cotonou, to direct commercial links with Belgium, Dubai and Indonesia, increasingly bypassing their Igbo and Lebanese suppliers, who, throughout the 1970s and early 1980s, played a major role in supplying the re-export depots of Cotonou and Lomé (Forrest, 1994; Hashim and Meagher, 1999). The Mouride traders of Senegal have expanded operations to include stronger links with the United States, and with the Far East, most likely bypassing in the process their erstwhile Lebanese and Mediterranean middlemen (Babou, 2002; Ebin, 1993; Gregoire and Labazee, 1993).

As networks have expanded their inter-continental activities, they have also tended to shift them to the East, toward Asia and the Gulf (Hashim and Meagher 1999; Bayart et al. 1999). While some may interpret the Asian shift of transborder trade as a further indication of a transition from consumer goods trade into drug trafficking, the central motives are more mundane. Declining domestic purchasing power and increasingly restrictive immigration policies in Europe and North America have combined to deflect transborder networks away from European markets to cheaper and more accessible source markets in the Gulf States and East Asia. In the face of devaluation, European and North American consumer goods have become too costly for most West African traders and consumers alike. The major exception is used goods such as cars, clothing and refrigerators, which come predominantly from Europe and North America (Hansen, 2001; MacGaffey and Bazenguissa-Ganga, 2000).

**Beyond Borders: Transborder Trade & the Failure of the Nation State**

Having considered the ways in which transborder trading activities have been affected by structural adjustment and globalisation, the next question is how this process relates to the crisis of the nation state in Africa. Does transborder trade represent a form of economic organisation uniquely adapted to the context of globalisation, or is it merely a symptom of economic collapse in the context of the
failure of the post-colonial state? Are we witnessing the detachment of economic organisation from the limitations of the nation state, or the ultimate distortion of crippled and marginalised economies?

**Pressures from Above & Below**

The fortunes of the nation-state in contemporary capitalism have often been reduced to an image of ‘hollowing out’, either from above or below. In the African literature on transborder trade, however, attention is focused almost exclusively on the role of pressures from below, which are seen to reflect popular rejection of colonial borders and post-colonial states. These analyses have a primordialist ring to them, arguing that borders violate ethnically defined territories and traditional forms of economic organisation, while states are plagued by an indigenous propensity to corruption and clientelist forms of organisation (Asiwaju, 1985; Bach, 1994, 1999; Chazan, 1988; Egg and Igue, 1993; Lemarchand, 1988).

Within this perspective, structural adjustment is portrayed as an official recognition of pressures from below, as populations attempt to slough off the inappropriate and enfeebled institutions of the nation state so as to become integrated into the wider economic opportunities of regional and global markets (Gregoire and Labazee, 1993; Tripp, 1997). Unfortunately, the thrust of this perspective has more to do with ideology and Africanist stereotypes than social science. Not only is the will of the ‘grassroots’ deduced mechanically without reference to social differentiation, economic constraints, or the politics of mobilisation, but almost no attention is paid to the role of the powerful external forces of structural adjustment and globalisation in the disruption and dismantling of state capacity.

**Transborder Trade: Popular Will or Official Collusion?**

With closer analysis, the ‘globalisation-friendly’ construction of transborder trade begins to show cracks. Both within and outside Africa, the centripetal social forces unleashed by globalisation have been linked, not to spontaneous social impulses or pre-existing state incapacity, but to the deliberate dismantling, via structural adjustment, of the developmental state (Cox, 1997; Griffith and Khan, 1992; Hoogvelt, 1997; Hurrell and Woods, 1995; Sall and Sallah, 1994; Young, 1995). Whatever their deficiencies, post-independence African states managed to maintain some hold on political and economic loyalties through the distribution of benefits among elites, combined with the delivery of at least some material benefits to the citizenry. The increasing role of transborder trade in social regulation derives more from a lack of alternatives in the official economy than from any over-riding allegiance to forms of economic or political organisation defined by family, ethnic or religious ties.

A second difficulty with globalisation-friendly perspectives relates to the image of transborder trade as something carried out in opposition to colonial borders and against the nation state. Evidence from a wide range of studies has demonstrated that the organisation and survival of transborder trade depends on the existence of borders and the complicity of the state. Borders are regarded by transborder operators, not as barriers to their activities, but as ‘corridors of opportunity’, where policy disparities or protectionist barriers can be turned into profits (Igue, 1985; Bach, 1997; Lambert, 1994). Far from agitating for their dissolution, both large-scale operators, and rural border populations are fully conscious of the importance of borders to the profitability of their trading activities (Flynn, 1995; Sall and Sallah, 1994).
Indeed, the state itself is more a collaborator than an opponent in the game of transborder trade (Boone, 1994; Lambert, 1989, 1994; Lewis, 1994; Reno, 1998). First of all, successful accumulation through transborder channels is highly dependent on connections and collaboration with state officials. Pure evasion of state controls and border posts defines the activities of small-time operators where quantities are small enough to allow concealment, or where the economic and political clout of the actor is feeble enough to require it (Baier, 1980; Meagher, 1997). A second level of state involvement relates to the role of the state as arbiter of the distribution of rents from illicit activities (Lambert, 1994; Lemarchand, 1988; Hoogvelt, 1997; Reno, 1998). In the context of declining state control of resources for patronage and for social welfare provision, allowing certain groups to participate in, or even monopolise, various lines of parallel economic activity remains an important means of maintaining loyalty. As a number of commentators have noted, the Mourides of Senegal, the Hausa and Lebanese traders of Nigeria and the Lebanese traders of Côte d’Ivoire, all doyens of transborder commercial activity, are not sources of opposition to the state, but bastions of support (Boone, 1994; Hibou, 1999; Lewis, 1994; Markowitz, 1998).

When discussing state complicity in transborder trade, it is important to distinguish official complicity from the informal practices of state officials, a distinction that it has become fashionable to blur. At the official level, state involvement in transborder trade is limited to the perfectly legal liberal import strategies of entrepôt states. The impact of declining state capacity on entrepôt economies, however, has been to weaken rather than entrench such practices, owing the inability of the state to keep the trade in official channels. As for the remainder of West African states, the nature of official collusion is essentially for private gain, rather than for state financing. While complicity, or even direct involvement, in transborder activities supplements official incomes, and even contributes to substantial private accumulation among well-placed officials, it continues to undermine the resource base of the state through lost revenue from duties and taxes, and to weaken official control of the economy (Egg and Igue, 1993; Igue and Soule, 1992; Meagher, 2001).

Finally, a closer examination of the actual will of the popular forces involved in transborder trade flatly contradicts assertions of their liberalising aspirations. Owing to their dependence on the exploitation of policy disparities, transborder traders have not tended to come out in favour of economic liberalisation or regional integration (Bach, 1999; Boone, 1994; Meagher, 1997; Meagher and Ogunwale, 1994). Attempts by the World Bank to represent transborder operators as a popular constituency for both have ended in disappointment. In fact, increasing competition between transborder trading networks has provoked recourse to various forms of informal protectionism rather than an enduring commitment to liberalisation. Following the liberalisation of grain markets, local trading networks in Niger and in Guinea blocked the direct penetration of better resourced trading networks from neighbouring countries into their internal markets, in one case by imposing a tax on the foreign traders (Lambert, 1994; Hamadou, 1995). In northern Nigeria, transborder dealers in cigarettes and used clothing collude with the police to arrest those who try to enter the trade without joining the unofficial cigarette dealers’ commercial association (Hashim and Meagher, 1999).

Since the mid-1990s, increasing evidence that transborder trading networks were not likely to constitute constituencies for liberalisation or for regional integration has shifted the focus of analyses back to issues of rent-seeking behaviour and official corruption. Regarded only a decade ago as a force for liberalisation, transborder trade is now increasingly cast as a force for the globalisation of illicit activities, and the
criminalisation of the African state (Bayart et al. 1999; Reno, 1995, 1998). The emphasis has shifted from rationalist assumptions regarding the innate efficiency of forces from below to primordialist prejudices regarding the innate clientelism and corruption of African economic and political organisation. Neither approach brings us any closer to understanding the real economic and political implications of transborder trade for the future of West African development.

**Back Door to Globalisation or Dead End?**

**The Globalisation of Transborder Trade**

In the literature on globalisation, the word most commonly associated with Africa is ‘marginalisation’. Among developing countries as a whole, FDI flows have increased from 17 per cent in the second half of the 1980s to 32 per cent in 1992, but the share of sub-Saharan Africa is now below 1 per cent and falling (Cook and Kirkpatrick, 1997; Oxfam, 2002). Africa’s share in world export flows has also fallen, particularly in manufacturing, which is the key growth sector for the expansion of trade and resource flows in the context of globalisation. In the face of declining exports and international investment, Africa has fallen far behind in the development of the appropriate infrastructure, technology and skills to link up with the revolution in information technology, which is central to the global restructuring of production, trade and finance (Castells, 1998). Africa has also been marginalised in the development of international institutions for the management of globalisation, which has tended to reinforce its position of economic disadvantage in the globalisation process (Hurrell and Woods, 1995). All in all, globalisation has reduced Africa to a position of ‘structural irrelevance’. Or has it …?

While official African economies appear to be languishing in the environment of globalisation, the preceding analysis has shown that unofficial trade has flourished, not only within the West African sub-region, but also within the global arena. Indeed, the association of globalisation with network-based forms of economic organisation seems to presage a new role for transborder trading networks. The advantages of transborder operators in terms of flexibility and responsiveness to economic change, and in terms of their network structure of commercial organisation are now legendary (Egg and Igue, 1993; Gregoire and Labazee, 1993; MacGaffey, 1991, 1994). The economic potential of transborder networks appears to have been demonstrated by their rapid global expansion, enabling them to penetrate as far as Asia, Australia and North America, without the traditional intervention of an assortment of Middle-Eastern and European middle-men. As Bach (1997) puts it,

> [t]he spectacular growth of trans-state regional networks in Sub-Saharan Africa has fuelled global trends toward the continentalisation and multilateralisation of trade flows and the further integration of Africa into the world economy (see also Bayart et al. 1999; McGaffey and Bazenguissa-Ganga, 1999, 2000).

In the process, a global infrastructure for transborder trade and currency flows has begun to develop. In step with the evolution of global cities in the rest of the world, the port-towns of West-African entrepôt economies have become the global cities of transborder trade, where the parallel economy merges with the official economy. Cotonou, Lomé and Banjul have become centres of international economic activity, complete with liberalised markets and modernising infrastructure. In the Gambia in particular, official efforts are being made to develop off-shore banking and financial facilities, and the Gambian Dalasi has been made internationally convertible, all with
the aim of converting the Gambia into the ‘Singapore of West Africa’ (Sall and Sallah, 1994). There is even talk of transborder activities helping to reverse the marginalisation of Africa at the level of production. Some commentators claim that transborder trade is helping to relaunch the official economy through the investment of transborder profits in local production and services (Chazan, 1988; Ellis and MacGaffey, 1997).

While these developments sound very impressive, they fail to address the fundamental issues of Africa’s economic marginalisation in the context of globalisation. To begin with, the similarity between the ethnic and religious networks of transborder trade and the networks of global capitalism is entirely superficial. While the former are bound together by religious and ethnic norms of commercial behaviour, the latter involve forms of industrial organisation based on computerised production systems and internet communications (Castells, 1998; Hoogvelt, 1997). Moreover, the networks that drive globalisation relate to economic integration through production rather than through trade. Integration through trade in primary products and finished goods has been overshadowed by the global intra-firm trade in component parts and services between parent companies and affiliates (Gill, 1995; Cook and Kirkpatrick, 1997). Transborder trading networks are unlikely to obtain any advantages within the framework of computerised global production networks. Their continued emphasis on trade rather than production, and their comparatively low technological level gives transborder operators little to exploit or to offer at the cutting edge of global economic integration. In fact, the impact of transborder trade on West African involvement in these processes has been negative rather than positive, for a number of reasons.

In the first place, West African transborder trading networks lack the power to override processes of global marginalisation. While they are remarkably adept in the unofficial movement of goods across Africa, their international operations are largely through official channels. Primary commodity smuggling simply moves commodities from one African country to another, but the realization of foreign exchange from those commodities depends largely on official exports on the world market. Hence the characteristic phenomenon of countries that officially export more of certain commodities than they produce, such as Benin, Togo, the Gambia and Liberia in West Africa, and Sudan and Burundi in East Africa (Meagher, 1997; Ellis and MacGaffey, 1997). Similarly, trade in manufactured goods involves the importing of goods through official channels, largely into entrepôt economies, and then smuggling them into other African countries.

For the most part, West Africa’s parallel trading networks do not have the capacity to insinuate African goods into international markets behind the back of the official international trading system. The main exception to this relates to criminal commodities. In these cases, African trading networks operating at any significant scale are obliged to link up with international smuggling networks or with unscrupulous official buyers, who have the contacts necessary to bypass the controls of developed economies (Sherman, 2000). Moreover, African participation in international smuggling networks is largely at lower end of the trade where they are, at best, glorified couriers and middlemen, rather than ‘barons’. The contention that Nigerian networks, which have only entered the hard drugs trade since the mid-1980s and have no significant involvement at the production or consumption ends of the trade, are now on a par with Columbian cartels is patently absurd (Bayart et al. 1999; Labrousse, 1999; Reno, 1998). Similarly, African involvement in diamond smuggling involves the trafficking of rough stones, which only accounts for about 10 per cent of the final value of the international illegal diamond trade. The ‘real game’ starts from
the diamond cutting centres in Europe, Israel, India and the US, and is dominated by players in the diamond cutting and marketing community, not by clandestine operators linked to the mining areas of collapsing African states (Green, 1981; Human Rights Watch, 1999; Sherman, 2000).

This means African transborder trading networks have little capacity to promote trade in West African commodities of no interest to the international underworld. Without the ability to penetrate international markets behind the back of the official trading system in the developed world, transborder trade can do little to overcome one of the main causes of Africa’s marginalisation in international trade, namely, growing protectionism in OECD countries (Griffith and Khan, 1992; Oxfam, 2002). For example, African textiles circulate throughout West and Central Africa via transborder trading networks, to the detriment of local textile firms, but international smuggling of African textiles remains insignificant despite their growing international popularity.

**Transborder Trade & the Political Economy of Marginality**

A second factor in the inability of transborder trade to overcome the marginalisation of Africa in the global economy relates to its impact on production within African countries. While a few optimists claim that transborder trade contributes to increased productive investment in African countries, the reality has been negative for both the agricultural and the industrial sectors. In Niger, Cameroun and Benin, transborder inflows of agricultural commodities undermine the long-term viability of local agriculture by undercutting prices and eroding demand (Egg and Igue, 1993; Hashim and Meagher, 1999; Meagher, 1994). In countries such as Nigeria, transborder outflows widen local markets, but also undermine local food security and disrupt agricultural development initiatives by siphoning off subsidised inputs to neighbouring countries (Meagher and Ogunwale, 1994; Hashim and Meagher, 1999). Moreover, a substantial proportion of transborder agricultural flows involves wheat flour and rice imported from the world market, which further undermine the profitability of agriculture in surplus and deficit economies alike (Coste et al. 1991; Harre and Oyep, 1992; Egg and Igue, 1993).

The impact on manufacturing has been even worse (Egg, 1993; Egg and Igue, 1993). The flood of cheap Asian manufactured goods imported via transborder trading circuits has crippled manufacturing industries throughout West Africa. Higher basic production costs and the inability to evade official taxes make local industries unable to compete (Hashim and Meagher, 1999). Even local industries that supply transborder distribution networks have been unable to benefit from the situation, owing to the contradiction between rising local production costs, increased global competition and collapsing effective demand throughout Africa (Hashim and Meagher, 1999). As Sall and Sallah (1994) observed in the Senegambian region, increased liberalisation may narrow the price disparities which provide opportunities for transborder trade, but only to confront local industries with the ravages of international competition. In the choice between transborder trade and liberalisation, local industry is confronting a no-win situation.

**Eroding State Capacity**

In addition to undermining local production, transborder trading networks severely erode state control of resources. Millions of dollars annually are lost in unpaid duties and excise taxes, not to mention the losses in official foreign exchange receipts. In
Senegal alone, fiscal losses from the smuggling of groundnuts amounted to 200 billion F CFA in a single year (Sall and Sallah, 1994). Even if these losses were balanced out by the fiscal gains of entrepôt economies, which is unlikely for a variety of reasons (see Igue and Soule, 1992), this would still have a perverse effect on the development of manufacturing. Economies with the best developed manufacturing sectors would lose revenue with which they might have further developed manufacturing, while countries which have adopted a development strategy that effectively precludes the development of any significant manufacturing sector receive the fiscal gains. Not a developmentally sound redistribution of resources.

These various effects of transborder trade reinforce another dimension of Africa’s global economic marginalisation, namely the low level of technology and infrastructure. As mentioned earlier, globalisation involves the development of production and service networks linked by high-level communications and information technology. Investment is attracted to countries, and in fact to areas within countries, which have the necessary technological and communications infrastructure (Cook and Kirkpatrick, 1997; Castells, 1998). Areas where this infrastructure is inadequately developed are simply bypassed. Throughout most of West Africa, the telecommunications and banking systems, and the level of infrastructural support for computer systems and access to the internet, are clearly inadequate to attract the attention of global investors. While this is in part a problem of internal priorities, planning, and economic management, the erosion of state revenues via transborder trade does not help matters. Moreover, the instability of West African monetary and financial systems, which is seriously exacerbated by transborder trading activities, is a powerful disincentive to the closer integration of West Africa into global production networks.

The bottom line is that transborder trade is structurally incapable of re-integrating West Africa into the global economy, by the back door or otherwise. While transborder trading networks have facilitated global trade and private accumulation, they have tended to undermine the critical dimensions of manufacturing, financial stability, and infrastructural investment. Transborder trade is an essentially opportunistic activity; it exploits disparities in fiscal and monetary policies, loopholes in trading and financial systems, and the opportunities of liberalising markets and weakening states. Unfortunately, successful integration into the process of globalisation requires the ability to take the lead in shaping international policy frameworks and the way in which they are implemented (Hurrell and Woods, 1995), rather than just exploiting the gaps and weaknesses that emerge in the process.

**Transborder Trade & Indigenous Commercial Classes:**

**Criminalisation or Institutional Incorporation?**

Despite all efforts at containing it, transborder trade is still thriving in West Africa. Structural adjustment has only succeeded in reorganising rather than undermining the trade, and globalisation has widened its international reach. Policy makers are now left with two major options: transborder trade can be suppressed and criminalised, or it can be incorporated into the formal economy through more appropriate policy incentives to guide and reorient its activities.

Neo-liberal ideologues and international development institutions seem to be gravitating towards the criminalisation option. Close analysis suggests that this policy preference has more to do with the interests of Western powers regarding control and protection of their markets than with hard empirical evidence on levels of
criminality. Actual evidence indicates that the trade in legal goods still predominates. The insinuation that transborder activities are all the same because they operate outside the law reflects a remarkable amnesia regarding African indigenous commercial history, which it suited many of these same ideologues to remember a decade ago when the ideological winds were blowing in a different direction (MacGaffey, 1991; MacGaffey and Windsperger, 1990; World Bank, 1989).

Indeed, the entire criminalisation thesis rests on a refusal to raise relevant analytical questions about the distinction between indigenous trading networks and organised crime. The very notion of trading networks, which involve an accumulation of specific commercial skills, contacts, informal trading infrastructure and social relations based on ethnic or religious moral codes, militates against the diversification of most transborder networks from legal to illegal goods, given the very different nature of the skills, contacts and moral codes involved. Ultimately, primordialist assumptions about the amoral economic attitudes of Africans, combined with the tradition of anecdotal evidence in studies of transborder trade, have combined to redefine the nature and economic consequences of the trade with little systematic evidence to back up the claims being made.

In the wake of September 11, allegations of links with terrorism now dog the unofficial currency movements used to finance the trade (BBC News, 8 November 2001; Ganguly, 2001; O’Driscoll et al. 2001). It does not help matters that much of West African transborder activity involves Muslim networks. Strategists in the War against Terrorism focus on the potential of unregulated financial flows for funding drugs and terrorists, while ignoring their actual deployment in providing the livelihoods, affordable consumer goods and remittances that have kept African societies from collapsing under the ravages of structural adjustment. Indiscriminate crack-downs will only exacerbate African marginalisation, thereby doing more to breed criminality and rebel activity than to stem it.

From the point of view of West African development and international security the criminalisation of transborder trade is not the best option. For all its faults, transborder trade remains by far the most efficient, organised and institutionally deep-rooted system of trade in the West African sub-region. Whatever their failings under contemporary economic conditions, transborder trading systems also have something to offer. In particular, the commercial skills, experience and organisational infrastructure of transborder traders represent invaluable institutional resources for the development of an effective West African regional trading bloc, which is itself an important component of any effective strategy for integrating West Africa into the global economy. What is needed is a more effective developmental framework within which these networks can operate, not cut loose by wholesale liberalisation or hemmed in by excessive regulations, but guided by economic incentives and a policy environment which combines strategic liberalisation with a regulatory framework for the development of agricultural and industrial production in West Africa.

Kate Meagher. Nuffield College, Oxford; e-mail: kate.meagher@nuffield.oxford.ac.uk. This is a revised version of a paper originally prepared in the context of a research programme on ‘The Political and Social Context of Structural Adjustment in Sub-Saharan Africa’ organised by the Nordiska Afrikainstitutet, Uppsala, Sweden, and presented at a synthesis workshop in Copenhagen, Denmark in December 1998. I am grateful to the Nordiska Afrikainstitutet for supporting the research on which this paper was based, and particularly to Adebayo Olukoshi and Peter Gibbon for their
intellectual guidance, insights and comments. The views represented in this paper, and any errors that accompany them, are, of course, my own.

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Regulating Illicit Trade in Natural Resources: The Role of Regional Actors in West Africa

Emmanuel Kwesi Aning

This article explores the multiple efforts that have been initiated by regional actors in West Africa, mainly ECOWAS, to regulate the illicit trade in natural resources in the context of armed conflicts. It then examines the behaviour of ‘spoilers’ who are able to circumvent the sanctions regime and governments’ domestic regulation. The paper argues that the characteristics and multiple dynamics of the armed conflicts in West Africa have created specific opportunities for economic activities in a thriving parallel economy through the ‘illicit’ trade in natural resources.

Sanctions are useful and common policy instruments in contemporary international politics, especially so when a state has brought upon itself the displeasure of the international community. That state can then be sanctioned through collective punitive action to bring about change and moderation in state behaviour. However, the desired outcomes of such collective actions are not only difficult to predict, but even getting member states to comply with the basic tenets of the sanctions regime can be difficult (Rogers, 1990; Mersheimer, 1994). There is so much disagreement about the value of sanctions that the literature on such processes as regulatory tools for moderating state behaviour is diverse and inconclusive. Since March 2000, Liberia has been the target of a formidable sanctions coalition of individual West African states: the sub-regional organisation, the Economic Community of West African States (ECOWAS) to which Liberia is a signatory state; individual European Union (EU) states and the UN. This coalition has sought to regulate Liberia’s illicit trade in natural resources which funds its own war, that of Sierra Leone, and other acts of destabilisation in West Africa.

The Nature of the Conflict

Although observers of West African politics were aware of a ‘crisis of the state’ (Ihonvbere and Turner, 1993) most were unprepared for the nature of armed conflicts that have occurred in Liberia from 1989 to 1997, in Sierra Leone from 1991 to 2002 and in Côte d’Ivoire since 19 September 2002. What has characterised these particular conflicts concerns the new prominence demanded by and given to sub-state actor groups acting as though they were recognised members of the international community. As a result, they have succeeded in introducing new practices into the conduct of armed conflicts and contested archetypal conceptions of modern warfare (Mackinlay, 1998; Holsti, 1996; Snow, 1996). According to Yusuf Bangura:
In countries rich in natural resources, ... the political goals of wars often interact with the multiple logics of resource appropriation ... the looting of private property, and vandalism. Such complicated outcomes have led many commentators to portray contemporary wars as being basically anarchical (1997:117).

Subsequently, the dynamics of many armed conflicts or ‘wars of a third kind’ have influenced and changed the dilemmas faced by international agencies, and the subsequent patterns of international involvement and response (Snow, 1996; van Crevela, 1991). A greater appreciation of the ‘interests’ of diverse factions, their capabilities and the motivations driving their actions has been sought. The instrumental, opportunist, and reflexive logic of the political, economic and military considerations of faction groups have been increasingly studied (see Keen, 1998, 2000; Duffield, 2001).

In the case of Liberia, the interests of faction groups were characterised by a synergistic relationship between political, military and economic calculations. First, economic opportunities became an important factor in reproducing conflict and undermining the prospects for peace. Over time, economic calculations exerted a decisive leverage on the pattern taken by the conflict. Diverse factions then, in 1996, sabotaged a transition from war to peace as they perceived it as detrimental to their political, military and economic interests (ECOWAS, 1996a). Meanwhile ECOWAS and other international actors criminalised the factions: they presumed (inaccurately) that they would respond to orders to disarm; they misunderstood the nature of the conflict and had little idea of the rewards of war; they failed to understand how in the political and economic motivations for its continuation, international companies were benefiting from the confusion.

In particular, large businesses domiciled within the European Union (EU) and with temporary bases in Côte d’Ivoire negotiated business deals with faction leaders without having to satisfy government export controls and other legitimate demands. In the first six months of 2000, France alone increased its imports of Liberian logs by 11 per cent (Global Witness, 2001:6). It is also estimated that the logged figures for 2002 will be considerably higher than all the previous years because of heightened activity before the July 2002 UN ban on all round log exports from Liberia.

Due to the success with which faction groups exploited natural resources and negotiated economic deals with European Union-based companies, there was a particularly opportunistic and instrumental edge to the manner in which the war was fought. These synergies between economic reward and military tactics are usually overlooked in the analysis of the civil war resulting in only the brutalities being emphasised in isolation. The Economist proved incapable of comprehending the dynamics fuelling the Liberian crisis and the National Patriotic Front of Liberia’s
(NPFL) intransigence in complying with the demilitarisation components of agreements it had signed, dismissing Liberia’s armed conflict as a ‘weird collapse’ and declaring that ‘Liberia’s problems evade rational explanation’ (*Economist*, 21 November 1992). John Mackinlay concurred that the organisation was led by ‘unattractive and shadowy figures’ (1998:24).

By March 1991, the political economy of the war and the development of other ancillary activities resulting from war-related enterprises had expanded to such an extent that it involved several thousand people and could not easily be stopped. With control over vast territories rich in natural resources, the NPFL commenced the efficient and calculated exploitation of these abundant natural and mineral resources. From this period, a lucrative export business based on diamonds, timber, iron ore and gold was initiated with French, Belgian, Turkish and Taiwanese contacts. To circumvent the ECOWAS/ECOMOG blockade that had been placed on the ports of Buchanan, Harper and Greenville in 1992, these products were shipped through the Ivorian port of San Pedro. This brought an added advantage in that it gave Charles Taylor unaccounted extra budgetary incomes, which could then be disposed of without scrutiny. Ivorian intermediaries and their French counterparts among others chose to deal directly with the NPFL war machine to bypass the export controls and restrictions that any such export through the embargoed ports would have brought. The end result of such weak regulatory frameworks, according to John Chipman, was that ‘… Charles Taylor’s control of most of the country has been credible enough that foreign companies have dealt directly with him’ (1993:369; see also Reno, 1996:212-213). Others, however, dispute Chipman’s assertion of Taylor’s credibility in his dealings with foreign companies and exploitation of natural resources. According to Ian Smillie et al.

> ... Taylor operated a rapacious and sometimes criminal national enterprise, looting Liberia’s forest reserves (mainly timber and rubber) with the active involvement of foreign companies and criminal elements considerably more dangerous … Diamonds have played an active role both in financing Taylor’s own expansionist enterprise, and in bringing Sierra Leone to its knees (2000:46).

Whatever the character or credibility of Taylor, there is little doubt that trade in timber between the NPFL and European Union companies fuelled the war (Riley, 1993:42). In particular, in the period January to June 2000 China and France alone imported Liberian logs worth 46.4 per cent of total exports, and valued at $13,251,996.47 million, and 17.9 per cent, valued at $7,385,373.78 million respectively (see Table 2). Both countries were strongly opposed to the UK and US initiative to apply sanctions on Liberia in March 2001 and supported ECOWAS hesitations.

<table>
<thead>
<tr>
<th>1999</th>
<th>2000</th>
<th>2001</th>
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<tr>
<td>Reported logging Figures (a)</td>
<td>100,000 (b)</td>
<td>203,000</td>
</tr>
<tr>
<td>Actual logging Figures (a)</td>
<td>189,940</td>
<td>243,000</td>
</tr>
<tr>
<td>Reported Derived Income (c)</td>
<td>21</td>
<td>40</td>
</tr>
<tr>
<td>Actual Income (c)</td>
<td>29</td>
<td>30</td>
</tr>
<tr>
<td>Differentials (c)</td>
<td>8</td>
<td>10</td>
</tr>
</tbody>
</table>

**Source:** Global Witness (2001). Interviews in Sierra Leone, 20-30 January 2002; Interviews with new Liberian refugee arrivals in Ghana, February to April 2002; (a) in metres cubed; (b) refers only to the period, October to December 1999.
It was within this context of the NPFL’s presumed international ‘credibility’ in terms of trade that the difficulties faced by the international community in eliciting compliance from these factions in terms of conflict resolution should be positioned. For example, appreciating Charles Taylor’s economic interests was important, because this constituted part of the explanation as to why the conflict continued for seven years. Interrelated military, political and economic factors guided Taylor’s negotiating position. The NPFL’s interests were not static, but responded to the specific stage and level of ‘success’ of their war. It was only when their position was weakened either politically or militarily that Taylor seemingly wished to negotiate and/or comply with requests for regulation and conflict resolution. More often than not, it was a tactic used as a window of opportunity either to re-arm or to win new political allies. The strategic flexibility toward negotiations on the part of the leadership was also evident from faction leaders who, according to Eduard Benjamin, ECOWAS’s former Executive Secretary, ‘themselves had become adept in the deliberate misinterpretation of provisions in the agreements to serve selfish individual and faction interests’ (ECOWAS, 1996a:7).

However, ECOWAS’ inexperience in dealing with civil wars and faction groups – this was the first attempt – contributed to the impasse in resolving both the Liberian and Sierra Leone crises. In particular, eliciting compliance from such actors is different from state actors since the element of sanctions is more difficult to apply. As the war progressed from politically motivated violence to criminal violence, disruptions in state revenues and the growing power of non-state actors led to the successive privatisation of the state apparatus. These processes were facilitated by the ease of exploitation of its ‘Midas touch’ (Koroma, 1996): that is, its mineral resources, especially, diamonds and timber. The companies involved in providing international markets for Liberia’s natural resources are thus implicated in the continuation of the civil war.

<table>
<thead>
<tr>
<th>Table 3: Value of Illicit Trade in Natural Resources 1990-1994</th>
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<td>---</td>
</tr>
<tr>
<td>Diamonds</td>
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<tr>
<td>Timber</td>
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<td>Rubber</td>
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<tr>
<td>Iron Ore</td>
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</table>

Source: Reno (1998)

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<tr>
<th>Table 4: Value of Illicit Trade in Natural Resources (a) 1999-2001</th>
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<tbody>
<tr>
<td>Year</td>
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</tr>
<tr>
<td>Diamonds</td>
</tr>
<tr>
<td>Timber (b)</td>
</tr>
<tr>
<td>Rubber</td>
</tr>
<tr>
<td>Iron Ore</td>
</tr>
</tbody>
</table>

Source: Forestry Development Authority (FDA); (a) Natural resources refers to what in the Strategic Commodities Act (Liberia) are defined in Section 2 (a) ‘as Natural resources, minerals, cultural and historical items which are of vital importance to the Nations’ economic, social, political and cultural values and well-being of Liberia’. The President of Liberia has extensive powers over resource allocation and utilisation and is able to offer concessions. The commodities listed including diamonds and timber almost make up 100% of Liberia’s exports; (b) The figures given by the FDA are terribly unreliable because of the close personal relations among those who head FDA and the Liberian administration. Bacchus Matthews is the OTCs Public Relations consultant, with Taylor’s brother D. Robert Taylor as Managing Director of the FDA; Talal El-Dine a crony of Taylor is also a member of the Board of Directors of FDA; (c) The FDA’s estimates are from January to June 2000.
The Shift Towards an ECOWAS Sanctions Regime

The history of international and regional action since the early 1990s and the ECOMOG intervention shows that the use of sanctions to try and reduce conflict has been repeatedly undermined by both neighbouring states’ non-compliance (Aning, 1998), and by Taylor’s increasing personal control over natural resources.

The first efforts at controlling the illicit trade in natural resources and its impact on the armed conflict in Liberia was the belated initiative undertaken by the Interim government of National Unity (IGNU) through the symbolic imposition of economic sanctions on Taylor-held territory in 1992. However, implementing these proved difficult since the internationally recognised government of IGNU controlled only 5 per cent of the available landmass of Liberia, while faction groups held the remaining 95 per cent containing the richest natural resources. This initiative was followed in July 1992 by ECOWAS and concluded at a Summit of Heads of State held in Dakar, for ‘comprehensive sanctions’ in the wake of the ECOMOG intervention (ECOWAS, 1992, Article 3). The UN, meanwhile, followed with a less comprehensive policy of an ‘embargo on all deliveries of arms, ammunition and military equipment to Liberia’ (United Nations Security Council, Resolution S/Res/788 (1992) and S/Res/813 (1993), cited in ECOWAS, 1995:3).

While ECOWAS undertook to implement comprehensive sanctions against Liberia, there seems to have been an apparent rift between the political and military agendas. Thus, while the political elite who defined the broad policy guidelines for the military practitioners to implement were in general agreement, the implementation strategies by the military and the actions of individual ECOWAS member states to enforce the sanctions left much to be desired. According to Africa Confidential, Rufus Kupolati, as ECOMOG Commander, lifted the blockade on Buchanan Port and allowed NPFL commanders free access to his base. His command was so lax that the NPFL took the opportunity to strengthen its hold on Liberian agricultural and mineral resources (quoted in Aning, 1998:242S).

However, there also remained an important loophole in the sanctions regime itself. This was characteristic of ECOWAS and the international community’s penchant for ‘quick fixes’, its misunderstanding of the nature of ‘warlord economies’, and their relationship to the sustenance of conflict. The general amnesty to warring factions included in the 1993 Cotonou Accord made exemptions from subsequent penalties for:

... business transactions legally carried out by any of the parties hitherto with private business institutions in accordance with the laws of Liberia (ECOWAS, 1993).

This set a precedent whereby business transactions were not placed in the public domain, and could evade scrutiny providing that the caveat of legality applied. As we see below, Taylor was later to change the law giving himself widespread control over resources in order to continue with this precedent.

More communiqués followed over the next few years, all reflecting the flawed sanctions regime and seeking to extend the sanctions policy through increased surveillance, seizure of ships, restrictions on the travel of government officials, and culminating in the comprehensive Abuja II Accord in 1996. Interestingly, this Accord included the freezing of business activities and assets in member States, and restrictions on imports from Liberia, thus seeking to affect the political economy of the war in a more holistic way (ECOWAS, 1996b).
However, the equivocations implicit in the 1993 Cotonou Agreement remained as a precedent for continued accumulation in the parallel economy on behalf of the war effort. As President, Charles Taylor crafted legislation in such a manner that it enabled him to exploit resources to fund his adventures in compliance with Liberian law. For example, the Strategic Commodities Act (Liberia) (2000) gives the President of Liberia extensive powers over resource allocation and utilisation. It states that:

*The President of Liberia is hereby granted the sole power to execute, negotiate and conclude all commercial contracts or agreements with any foreign or domestic investor for the exploitation of the strategic commodities of the Republic of Liberia* (2002:5).

With so much power concentrated in the President, domestic regulation of ECOWAS accords in its member states, already institutionally weak, becomes even more difficult, as does enforcing accountability of the government of Liberia itself.

With weak regulatory frameworks existing in ECOWAS countries, ample evidence exists of sanctions busting. For example, according to the FDA in 2000, round logs totalling 17,532 m³ were transhipped from Liberia through the Côte d’Ivoire at a face value of $1,973,219 million. Table 5 summarises regional economic activity that contributes to the prolonging of the conflict in Liberia.

The money generated by illegal logging and diamond sales fuels a vibrant small arms market. It is reported that the RUF also acquires weapons from Guinea although not as part of official policy (Berman, 2000), while Ghana’s illegal trade in small arms is said to be immense (Aning, 2001). In 2001, Côte d’Ivoire, then under the control of General Robert Guei, was supported by Liberian mercenaries provided by Taylor and had through end user certificates provided by Guei managed to purchase $1 million worth of weapons using ECUs bearing Guei’s name (Human Rights Watch, 2000:10). Togo and Burkina Faso were also criticised in a UN Report of 2000 for sanctions busting concerning small arms in the context of Angola (United Nations, 2000).²

There was evidence by 2000 that Liberia was using the incomes generated from its illicit diamond and logging incomes to fund the Revolutionary United Front of Sierra Leone. Thus the UN introduced Security Council Resolution 1343 (2001) adopted on 7 March 2001. It proposed to impose sanctions on Liberia unless it could show by 7 May 2001 that it was not supporting the RUF. Perhaps surprisingly, ECOWAS initially

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**Table 5: ECOWAS States Abetting Transfer of Resources to Armed Conflicts**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Export Volume Reported/Actual m³</th>
<th>Value in $ Reported/Actual</th>
<th>Recipient Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberia logs, diamonds</td>
<td>–</td>
<td>–</td>
<td>RUF</td>
</tr>
<tr>
<td>Guinea diamonds</td>
<td>–</td>
<td>–</td>
<td>(a)LURD</td>
</tr>
<tr>
<td>Burkina Faso diamonds</td>
<td>–</td>
<td>–</td>
<td>RUF</td>
</tr>
<tr>
<td>Togo diamonds</td>
<td>–</td>
<td>–</td>
<td>Charles Taylor</td>
</tr>
<tr>
<td>Côte d’Ivoire logs</td>
<td>767,054</td>
<td>76,705.40</td>
<td>Charles Taylor</td>
</tr>
<tr>
<td>Senegal logs</td>
<td>1,294,071</td>
<td>181,169.94</td>
<td>Charles Taylor</td>
</tr>
</tbody>
</table>

*Source:* FDA Annual Estimates for 2000. There are more detailed breakdowns for how much specific companies exported and earned and where these exports went to and their share of total exports. Interviews at Budumbura Refugee Camp, Central Region, Ghana, February-June 2002; a) Liberians United for Reconciliation & Democracy (LURD): This reflects the volume of extra-budgetary cross border trade to Côte d’Ivoire.
resisted a tougher sanctions regime for Liberia headed by the UN, and sent a Security
and Mediation Council (SMC) team on a fact-finding mission to Liberia (Aning, 2002).
The motion for sanctions mooted by the UK and the US in July 2001 proposed an
immediate arms, diamond, travel and timber embargo against Liberia. However,
there is a certain lack of will and capacity in the ECOWAS member states to
implement such an embargo. This is because the four zonal bureaux that should have
been established by the organisation to gather information for further analysis in
Abuja, Nigeria have not been established. Neither is the central observatory with staff
still not in place and who were supposed to start duties in October 2001 (Aning, 2002).
Furthermore, Liberia is the only country among the four ECOWAS states with an
observation bureau that has not ratified the agreement between itself and ECOWAS
giving this early warning information gathering office diplomatic status. Burkina
Faso, Benin and Gambia have done so (Interview with Deputy Executive Secretary of
ECOWAS in Abuja, 20 June 2001). In May 2002, the UN subsequently approved
additional sanctions against Liberia as punishment for its alleged support to RUF via
the diamond and logging trade.

ECOWAS’ incapacity to track resources into armed conflict zones is also shown by the
complicity of other member states. For example, in January 1999 Sky Air Cargo and
Occidental Airlines based in the UK and Belgium respectively sent arms from
Bratislava to The Gambia and onward to Liberia. Similarly, the continental Aviation
Company of Senegal also sent 68 tons of weapons from Bulgaria to the RUF in July
1999 (Berman, 2000:9).

From Sanctions to Small Arms Non-proliferation

On 31 October 1998 in an attempt to reduce conflict, ECOWAS introduced and signed
a Moratorium on the import, export and manufacture of light weapons in the region.
It has a life span of three years and was renewed in July 2001. To ensure that the
Moratorium is adhered to, on 10 December 1999, ECOWAS Heads of State and
Government signed a Code of Conduct for its implementation – signalling the first
attempt historically to provide a voluntary agreement of this kind concerning small
arms. Likewise, an effort to get suppliers and recipients to respect the provisions of
the Moratorium and assist in its implementation is a new and proactive process. the
main objective being to create a secure environment for socio-economic development.
However, the success of such peace-building initiatives will critically depend on
successful regulation of the parallel economy and sanctions busting companies, both
regionally and internationally based.

Many of the institutions vested with the authority to check such activities – whether
through complicity or incompetence – are unable to perform their functions and thus
accept clarifications and documentation at face value. For example, in Ghana, Guinea,
Togo and Burkina Faso, existing civil aviation controls are insufficient to adequately
deal with the flow of weapons as well as natural resources to spoilers. For example, a
recent case involved a Ghanaian registered airline company, Southern Aviation Ltd.,
based at Accra Airport smuggling arms to the Sudan (Johnson-Thomas, 2001). In both
Liberia and Côte d’Ivoire the smuggling and sale of round logs enables the Taylor
administration to fund his war and that of his proxies in Sierra Leone and elsewhere.
Conclusion
The international sanctions regime has, thus far, only been partly effective in preventing Liberian natural resources being sold to fund war. The central reason for this are sanctions spoilers both within and outside governments, and within and outside the region. In general, both ECOWAS’s institutional capacity and that of individual West African states to regulate the illicit trade in natural resources to armed conflict zones are characterised by weak legislative frameworks, negligent attitudes, low institutional capacity, endemic corruption and a strong incentive to engage in sanctions busting whether wittingly or unwittingly for personal gain.

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Endnote
1. The main regional actor in West Africa is the Economic Community of West African States (ECOWAS), which was established in May 1975. It is a fifteen member body comprising Burkina Faso, The Gambia, Benin, Mali, Cote d’Ivoire, Guinea Bissau, Senegal, Togo, Ghana, Nigeria, Liberia, Sierra Leone, Guinea, Niger. Mauritania, the 16th member withdrew from the organisation in 2000. The remit of these member states of ECOWAS according to Article 2 (1) of the Treaty establishing the organisation was to ‘... promote co-operation and development in all fields ... for the purpose of raising the standard of living of its peoples, and of increasing and maintaining economic stability, of fostering closer relations among its members’.

2. UN Security Council Resolution 1343 (2001) adopted on 7 March 2001 proposed sanctions on Liberia unless it could show by 7 May 2001 that it was not supporting the RUF. Report of the Secretary-General in Pursuance of paragraph 13 (a) of Resolution 1343 (2001) on Liberia. Interviews held with new Liberian arrivals at the Budumbura refugee Camp in Ghana pointed to a flurry of logging activities to beat this deadline.

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UNITING A DIVIDED CITY: GOVERNANCE AND SOCIAL EXCLUSION IN JOHANNESBURG

by Jo Beall, Owen Crankshaw and Susan Parnell

It should come as no surprise that the process of post-apartheid urban restructuring in South Africa has stimulated a flourishing new literature. Urbanists of South and southern Africa had long speculated on the need for, and nature of, such change when it finally materialised and – as in my own case – some had sought to discern lessons from post-colonial urban transitions in other parts of eastern and southern Africa, as well as further afield. Nevertheless, the challenges of rethinking and reordering South African cities to accord with new political, social and economic priorities since 1994 have been profound. The divergent agendas and visions of the numerous stakeholders had somehow to be discussed and accommodated in rapidly changing national, provincial and local political contexts. Ultimately, the real resource constraints, the nature of the local governance system to be introduced and the relative weight to be accorded to equity versus efficiency-type priorities have lain at the heart of debate and policy.

Whereas the other recently published South African city-study, D(urban) Vortex: South African city in transition, edited by Bill Freund and Vishnu Padayachee (University of Natal Press, 2002) addresses a broad range of economic, local governance and basic needs themes, the book reviewed here focuses centrally on governance and social exclusion over the period 1994-2000/1 in South Africa’s largest conurbation. As such it also adopts a geographically and thematically wider canvas than Alan Morris’s detailed and more ethnographic study, Bleakness & Light; inner city transition in Hillbrow, Johannesburg (Witwatersrand University Press, 1999).

So much for situatedness. Uniting a Divided City is an impressive account of research on a set of closely related issues undertaken by the authors over several years; it is at once both eminently readable and immensely enlightening. Jo Beall, Owen Crankshaw and Sue Parnell have produced a conceptually informed ‘story’ that integrates themes often treated separately and/or in essentially empirical or technical terms, and that pulls few punches in a balanced yet sympathetic evaluation. They draw on recent international (but predominantly Northern) literature on globalisation, economic restructuring, urbanisation processes, social exclusion and governance, as well as local material, to contextualise the complex challenges facing Johannesburg. These can be summarised as seeking to restructure economically in globally competitive terms at the same time as having to tackle the profound inequalities and contradictions implicit in transformation away from racial Fordism.

The first two chapters provide the contextual orientation alluded to above, while chapters three and four survey Johannesburg’s changing spatial structure, providing a historical periodisation with particular reference to apartheid after WWII and the emerging post-Fordist order from the early 1980s, when residential and commercial flight from the CBD...
and inner city to far flung suburbs and ‘edge cities’ began to gather pace. Then follow two chapters on institutional responses. The first addresses the various permutations of local government reform that occurred in quick succession, finally emerging as what the new legislation terms ‘developmental local government’, via a process they dub ‘decentralisation by stealth’. The complexities are immense and although this is one of the most informative accounts I have yet read, the insufficiently clear distinction between the so-called ‘interim’ and ‘final’ phases in places may prove somewhat bewildering to the uninitiated. The second of these chapters assesses the financial problems that arose and the resultant fiscal austerity that reduced pro-poor programmes and emphasised managerial efficiency over redistribution in the iGoli 2002 plan. The contestations and tensions thereby generated are portrayed clearly.

The final part of the book comprises four rich case studies of restructuring and change representative of different exclusion/inclusion-governance processes in contrasting parts of the metropolis. These are the inner city (exemplified by Yeoville, an area of mixed high rise and detached residential housing, and which provides an interesting comparison with nearby Hillbrow as reported by Morris 1999); efforts to formalise and incorporate Diepsloot, a peri-urban informal housing area of over 30,000 people on Johannesburg’s northern fringe; upgrading and reorganising housing and services in Soweto, the powderkeg of oppressive high-density apartheid township development; and the self-exclusion of people in gated communities. Most interestingly, this fortress phenomenon is not restricted, as in the USA and Brazil, for instance, to elites fearful of pervasive crime and violence, but includes people from a range of socio-economic and ethnic backgrounds. One example the authors examine is the historically notorious migrant worker hostels in the townships, now mainly converted to family accommodation but providing what many residents perceive as a safe or defendable space in a dangerous area. Perceptions are strongly gendered, though: most women residents cited affordability as their principal consideration, and expressing fear of harassment by male residents.

The concluding chapter offers some thoughts on ways of understanding divided cities, summarising key conclusions from the foregoing analysis and emphasising the themes of social differentiation polarisation and exclusion on different axes as a counterpoint to the dominant concern in the South African literature with racially determined inequalities, and as challenges to inclusive governance. In this, they seek to distance themselves from what one might call the ‘apartheid as exceptionalism’ camp, and to underscore the commonalities between Johannesburg and divided cities elsewhere. This echoes one of their introductory assertions about the way in which – on account of its profound schisms and legacy of entrenched Fordist and apartheid inequalities – Johannesburg’s efforts to meet the challenges are serving as something of a laboratory for many parts of the world.

With this I concur. However, in view of such invocations, I would have expected more reference to the substantial literature on comparable processes and experiences of postcolonial and post-Fordist restructurings elsewhere in eastern and southern Africa, Latin America and southeast Asia (not least Singapore, Bangkok and Manila). For instance, the shift from race or ethnicity to class as a key social and residential differentiator, which is emerging clearly in Johannesburg, has been well documented in many situations. At another level, the concluding discussion on integrating divided cities would have been a golden opportunity to link governance and social exclusion/inclusion issues to the necessity for sustainable urban development in broader
economic, environmental and human terms. Indeed, what might this mean in such a rapidly transforming context, not least in relation to the profound tensions between the spatial fragmentation (distant suburbanisation, edge cities, walled and gated communities) and the spatial and social polarisation which they document on the one hand, and pressures for inclusive unicity governance on the other? What prospects exist for the local state to undertake or facilitate redevelopment of large swathes of centrally located land from reclaimed mine dumps and disused railway marshalling yards, for instance, and how might they be used to contribute to more sustainable forms of inclusive urbanisation and urban development? Yet the only mentions of sustainability in the book are passing references to injunctions in local government legislation.

These thoughts aside, let me reiterate that this is an important book that reports substantial advances in research on the complex dynamics of South African urbanism in transition and which deserves a wide readership among students and urban practitioners alike.

**Book Notes compiled by Roy Love**


Difficult to summarise, the thirteen chapters of this book discuss elections during the 1990s in Botswana, Lesotho and Swaziland (as one chapter), Ethiopia (gender aspects), Ghana, Guinea-Bissau, Kenya, Malawi, Namibia, Nigeria (1993-98), Sudan, Tanzania, Zambia and Zimbabwe. The authors have been in one way or another connected with the Helsinki University Institute of Development Studies and this has dictated the selection. There is a useful introductory chapter by the editors (albeit from an earlier version in the *Journal of Modern African Studies*) entitled ‘Elections and Election Studies in Africa’. This is a self-standing review rather than an introduction to the country chapters which follow and there is no attempt either here or in a concluding chapter to draw out common themes or implications from this particular collection. Consequently, readers will look only at the chapters covering countries in which they have an interest. In that sense it is a useful compendium but any attempt to browse further is discouraged by the extremely small font size and dense print coverage of each page that has been necessary in order to keep the contents within 400 pages.


In the space of only 200 pages the author has produced an admirably concise, though clearly written and essentially comprehensive, study of the major issues in the debate about control over the waters of the Nile basin. In reminding us that there are ten riparian states with an interest, extending from Egypt in the north to Tanzania and Burundi in the south (mainly via the Kagera Basin Organization), and that even the DRC has an interest through that part of its border with Uganda which passes down the middle of Lake Albert, he demonstrates how potential points of conflict extend deep in to the continent. His theoretical premises are those of theories of collective action and game theory at a discursive level, taking as a prototype Bates’ rational choice analysis of the Interna-
tional Coffee Organization. This need not deter those with other views, however, as the bulk of the book may be read as conventional historical and contemporary political analysis of the various agreements, plans, and projects of the major players, Egypt, Sudan, Ethiopia and Uganda.

The flavour is given by chapter headings: Negotiating Regimes, Three Level Game in the Nile Basin (referring to historical periods of the 19th century, early 20th, and the cold war), Food Security in Ethiopia, Imperfect Logic of Big Projects, and the Sudan as Master in the Middle. The tension between the concepts of ‘acquired rights’ and ‘equitable use’ is explored at some length, particularly in the context of Ethiopian-Egyptian claims. In summary, this book offers an informed and substantively referenced introduction to a topic which ROAPE could well look at in some future issue from a more political economic perspective.


On reading this book after the preceding one on the Nile Basin, the absence of water politics seemed a surprising omission, though perhaps less so in the light of the editors’ comments in their concluding chapter that ‘most of the chapters have pointed to institutional and leadership incoherence as one of the continuing obstacles to effective decision-making in African foreign policies’. Somewhat unusually for a collection of conference papers there is a cohesion and unity in this volume which increases its interest, though questions remain about what is distinctive about an ‘African’ foreign policy. After a (fairly short) introductory chapter by the editors which place the chapters in a linked context there follow two on Anglophone and Francophone (retaining this colonial terminology) West Africa, two on Central Africa and the Great Lakes region, one on the Horn, and one each on South and Southern Africa respectively. The chapter on the Horn, by Ruth Iyob, raises the interesting, but challengable, assertion that the Horn of Africa ‘continues to be an arena in which the continent’s oldest states are pitted against its newest’, a classification which not only begs questions but which structures debate along predetermined lines. The chapter on Southern Africa, by Gilbert Khadiagala, usefully dissects the weaknesses of SADC as a common foreign policy forum, while that on South Africa, by Denis Venter investigates the ‘quiet diplomacy’ and ‘pragmatic internationalism’ which has been characteristic of the Mbeki government, though he has little on internal debates within the ANC and thus on the origins of policy. The latter contribution appears to pre-date the birth of NEPAD, and neither of these chapters address the Zimbabwe situation other than cursorily. A penultimate chapter by William Reno discusses the external relations of weak states and stateless regions, while the final chapter consists of a round-up and conclusion by the editors. Other contributors include Clement Adibe, Peter Schraeder, John F. Clark, and Rene Lemarchand.


In one sense the title is accurate; in another it is misleading. This is essentially an economists book where institutionalism is that of principal-agent theory, and what characterises its application to international aid is ‘a broken information feedback loop’. The princi-
pals are the voting citizens of the donor country, the agents the official and NGO donor organisations, and the intended beneficiaries citizens of another country who have no effective way of feeding back to the principals. The ramifications of such an arrangement are explored at length in a variety of formal approaches in the six chapters of the book. The flavour is indicated by the following remark by Uwe Mummert in the chapter entitled ‘Embedding Externally Induced Institutional Reforms’: where he declares that ‘an actor will comply with a social norm as long as the discounted utility he expects to realise from compliance will exceed the discounted utility he expects to derive from violating this norm’ (p.138). A number of diagrams and other equations appear throughout the volume. In his introductory chapter Bent Martens confesses that it is not the purpose of the book to empirically test the models and assumptions presented. All four authors are male professors of economics. For those who are interested in principal-agent theory, and who are comfortable with a sprinkling of mathematics, the collection presents a concise and not wholly formalised application to the topic of international aid. Others will ignore it.


In what could be a reference to the volume by Martens et al. noted above, Mark Duffield refers to ‘the economistic framework ... that dominates development discourse’ in which ‘discussions of aid and its effects are confined to an imaginary world of self-contained and reactive household units, ignoring the reality that the strategic networks of global governance and the political complexes of the new wars conjoin and intermesh to form a new development-security terrain’ (p.252). It is the latter which forms the principal focus of this carefully argued and empirically grounded book, and which is developed in a series of chapters which are impossible to summarise in a brief note. In part it is about exploring the origins of the fact that ‘the widespread commitment among donor governments and aid agencies to conflict resolution and social reconstruction indicates that war is now part of development discourse’, to quote the publisher’s blurb. But rather than imply merely that war or prolonged civil conflict now are recognised as a recurring part of the environment in which aid agencies have to operate, and an awareness that their operations may even have an influence for the worse, this is also reflected in a merging of development and security under what the author refers to as the ‘liberal peace’ and the ‘new humanitarianism’.

The development of the author’s subtle and highly nuanced argument is indicated by chapter headings on the new development-security terrain, strategic complexes and global governance, the growth of transborder shadow economies, non-liberal political complexes and the new wars, while two penultimate chapters illustrate his thesis in an extended case study of Sudan in which the substantial internal population displacement has resulted in a complicity of international aid and social subjugation in the creation of desocialised, cheap labour force. Thus, as he summarises in his final chapter, ‘while opposing the violence and dislocation of the new wars, the strategic complexes of liberal peace also embody the selective, regionalised and conditional relations of global governance that now link North and South’ (p.258). This a significant and major book which will reward careful reading by conflict and development specialists, senior NGO policy makers, and students from a variety of courses; but politicians and TNC leaders will miss the absence of an executive summary.

The paradox here being the slipping back of the state in Ghana to its pre-adjustment patrimonial mould after two decades or more of neo-liberalism. In this densely argued book Eboe Hutchful explores the origins of crisis in the early independence period, the ‘unorthodox managerial strategies that underpinned adjustment under the Rawlings’ governments’ which eventually proved to be unsustainable, and in its distortions laying the groundwork for the policy decline of the 1990s following the 1992 general election including the rise in corruption, the absence of a microeconomic strategy, and the uneasy tension between state and market. Eleven chapters are spread over four sections: Economic Crisis & Background to Adjustment; Adjustment Policies and Performance; The Politics of Adjustment; and From Adjustment to Democracy.

Lest the final section be wrongly interpreted it is worth noting that the last chapter within it is entitled ‘The Fourth Republic: Adjustment Aborted?’ This is, in some respects, the most interesting chapter, summarising and assessing as it does the nature of the principal problems that continue to prevail, and in so doing breaking away from the highly detailed historical accounts of the earlier part of the book. The two principal challenges for the future, says Hutchful, are the economy and the area of security and civil-military relations, and ‘unless the regime is able to respond to these challenges, and in the process uncover that elusive nexus between security, development and democracy, the ‘Rawlings inheritance’ may prove to be a poisoned chalice’ (p.248). This is a well written, well researched, comprehensively argued, history of adjustment in Ghana, though once again a 268 page volume of very small print and narrow page margins, which are becoming characteristic of certain publishers, does not make for easy reading or skimming.


At last a title with attitude. Unfortunately, the promise is not borne out by the content as this is a fairly bland account of changes to labour legislation in Ghana following the introduction of ERP in 1983 and SAP from 1986. With considerable factual historical content and a bibliography covering the period up to mid-2000, the book provides a useful introduction to recent labour history in Ghana, but doesn’t really enter into the political background of labour relations under the different regimes in satisfactory analytical depth.

Books Received

3. *Contested Resources: Challenges to the Governance of natural resources in southern africa* by Tor Arve Benjaminsen, Ben Cousins & Lisa Thompson (eds.), University of Western Cape, South Africa; ISBN 1 86808 537 6.
The Civilised Horrors of Over-work: Marxism, Imperialism & Development of Africa

Branwen Gruffydd Jones

In the 21st century a vast number of people in Africa are direct producers, working very hard on the land to gain a meagre living – they are the ‘rural poor’. The condition of poverty in Africa is widely portrayed in both academic and popular discourse as a result of local factors, whether political, social, cultural or natural. This article argues for an historical materialist approach which exposes the condition of widespread routine poverty and malnutrition in Africa to be a modern world-historical product, the outcome of five centuries of global capitalist expansion under relations of imperialism.

As soon as people, whose production still moves within the lower forms of slave-labour, corvee labour, etc., are drawn into the whirlpool of an international market dominated by the capitalist mode of production, the sale of their products for export becoming their principle interest, the civilised horrors of overwork are grafted on to the barbaric horrors of slavery, serfdom ... (Marx, 1867).

In the twenty-first century a vast number of people in Africa are direct producers working very hard on the land. However, despite their hard work, toil and sweat, many are unable to meet their needs adequately either by selling the products of their labour, or by selling their labour power. They are the ‘rural poor’. It is argued here that they suffer the ‘civilised’, modern horrors of over-work: imposed not by direct political coercion in the form of colonial rule but by the routine impersonalised operation of global economic forces. The central aim of the article is to argue that this condition of rural poverty in Africa today is a profoundly modern product of imperial world history; and that its world-historical character, production, and reproduction can best be uncovered by the method of historical materialism.

This is in contrast to the understanding implicit in prevailing portrayals of Africa’s condition, both popular and academic. On one hand, there is a common-sense view which considers Africa a part of the world which capitalist modernity has not yet reached, which lacks development and remains rooted in tradition. Former BBC journalist Rod Liddle’s recent comments in the Guardian (UK) are a particularly explicit expression of a widely held popular view of Africa. In an astonishing piece of journalism, Liddle refers to Africa as a ‘pit of hell’ which has refused ‘to come to terms with the modern world’. He attributes this condition to Africa’s adoption of ‘the role of victim’; its ‘fantastic collection of conspicuously vile dictators; gangsters, incompetents, corrupt self-governing megalomaniacs, cretinous marxist ideologues, half-wits, imbeciles, murderous tribal warlords and, plainly, the barking mad and
the criminally insane'; its 'local culture', 'lack of work ethic' and the total absence of a 'concept of time As a linear constraining thing' along with a 'host of other sociological concepts which are missing from the core of African societies'. Mr Blair says that we should feel guilty about this. Sorry, but I don't (Guardian (G2), 7 February 2002, p. 4).

On the other hand, a more sophisticated but equally mystifying understanding of Africa's condition is reproduced in the discursive sites of academia and the various so-called development institutions. Since the 1990s Development Studies has become increasingly dominated by two different and superficially conflicting but, in fact, quite complementary approaches. The first, rooted in neo-classical economics, brings to the fore the matter of poverty reduction, posing poverty in quantitative terms. Considerable debate has centred upon how to measure poverty while magnificent goals are vigorously upheld: no less than to halve world poverty by 2015. The second, informed more by anthropology and political science, addresses themes of empowerment and participation for the poor, seeking ways in which the poor can become so empowered as to participate in their own poverty reduction, setting their own terms for the definition of how poor they are and choosing the manner in which they will lift themselves out of poverty. These two approaches together constitute a dominant discourse, an orthodox understanding of current world conditions which is articulated within academia and by the main institutions of development. This discourse places particular emphasis on the rural character of poverty. Thus:

Globally, 1.2 billion people are in 'extreme consumption poverty' ... Three-quarters of the poor work and live in rural areas; significantly more than a half are expected to do so in 2025 (IFAD, 2001:1).

Meanwhile, since the 1990s the concepts of class and imperialism seem to have all but disappeared from the vocabulary of Development Studies. Perhaps this is a symptom of a wider historical political conjuncture, not just in the west but around the world. This article seeks to counter this ideological capture by arguing that the modern condition in Africa of widespread routine poverty, malnutrition and hunger must be understood as a specific outcome of five centuries of global capitalist expansion; and that Marx's theory of capitalism remains fundamental to understanding this history.

The article draws primarily on the work of Marx himself, rather than on other marxists who have studied development and imperialism, for two reasons. First, the aim here is to intervene against the significant marginalisation of marxist thought in Development Studies today, rather than to claim originality in advocating the use of Marx in the study of poverty, development and Africa's political economy. Of course many others have already developed marxist analyses of poverty, development and imperialism. This very large body of literature is varied and characterised by considerable debate. Discussion of these debates lies beyond the scope of this article; however some brief comments can be made to situate the argument outlined here within this larger body of work. Particular attention is paid here to the methodological principles which underlie Marx's work. This is the key to grasping the difference between theoretical analysis of the necessary properties and tendencies of the social relations of capital in the abstract; and substantive analysis of the 'concrete conjuncture', of actual social contexts, the specific conditions and combinations within which these social relations operate along with other social relations to produce determinate social forms. This methodological principle is
central to Marx’s analysis of capital and, it is argued here, crucial to the analysis of social contexts which are subject to the ‘sway of capital’ but which are not fully capitalist, as in much of Africa. The approach outlined here is therefore in accordance with those marxist theorists of development who recognise this crucial methodological feature of Marx’s theory and method, such as Jorge Larrain and Ray Kiely.

Recognition of the significant differences among marxist approaches to imperialism and development brings us to the second reason for drawing primarily on Marx’s own work. This article seeks to undermine the prevalent view that Marx saw imperialism and the expansion of capital in the non-western world as progressive; a view which rests more generally on the widespread belief that marxist thought assumes a teleological approach to history. Such a view is perhaps best exemplified in the work of Bill Warren. Here, instead, emphasis is placed precisely on Marx’s own analysis of the destructive potential of capital under specific conditions, of how it can bring about impoverishment without development. These two points are important to the primary concern of the article, which is the condition of rural poverty in Africa today. The dominant approaches in academic and institutional literature implicitly naturalise the condition of rural poverty. In contrast this article attempts to show, by drawing on Marx, that the impoverished conditions of Africa’s direct producers is an outcome of world history, an outcome of the global expansion of capital effected through imperial relations. The article begins by foregrounding important aspects of Marx’s method of inquiry, then considers Marx’s treatment of colonialism and what can be termed the global constitution and expansion of capitalism, and suggests how we can understand the notion of imperialism. The final part considers the condition of and discourse about rural poverty in Africa today through the particular case of Mozambique.

Marx’s Theory of Capital: Progressive or Uneven?

It is widely held that Marx saw colonialism as a progressive force in the continents of Asia, Africa, and Latin America. Indeed, such a view has acquired the status of ‘common-sense’ (Ahmad, 1992:14). Colonialism swept aside old stagnant social structures and traditions and brought with it industry and the development of the productive forces, fostering the growth of the proletariat, and thus planting the conditions for capitalist development and an eventual transition to socialism (Warren, 1980; Avineri, 1969, Roxborough, 1979:43). This view typically rests on a reading of a few short pieces of journalism on India, written by Marx and Engels in the 1850s, along with selected passages from the Communist Manifesto and his often-quoted observation that ‘the country that is more developed industrially only shows, to the less developed, the image of its own future’ (Marx, 1867b:91). Even the World Bank has cited a passage from the Communist Manifesto with approval (World Bank 1996a:1 cited in Renton, 2001:10). This widely-held caricature is quickly undermined, however, by considering the nature of these earlier pieces of journalism and the conditions in which they were written; by a wider survey of Marx and Engels’ work, especially their more mature work of the late 1860s-1890s (Ahmad 1983, 2001); and crucially, it is argued here, by a better appreciation of Marx’s method of inquiry. It is true that Marx never set out a fully elaborated theory of colonialism or imperialism. This fact must be partly explained by the historical context in which he wrote, before the onset of the ‘new’ imperialism in the last decades of the nineteenth century, when virtually the whole of the world’s land surface was formally occupied by the competing European powers. However, much can be found in his extensive
theoretical analysis of capital which contradicts these mistaken but widely held views, and more importantly provides significant theoretical contributions towards an understanding of the historical production of rural poverty in Africa.

Marx’s method of inquiry is distinguished from that of the bourgeois political economists of his time and from much subsequent work by the principles of scientific realism which underpin his work. These principles can only be very briefly outlined here, as follows (see Bhaskar, 1997, 1991; Collier, 1994). The dominant tradition in social science is committed, explicitly or implicitly, to empiricism – the belief that the only things which exist and which therefore we can know about are things which are available to observation and experience. In contrast, realism holds that something is real if it is causally efficacious – that is, if it has the capacity to make a difference to the pattern of things and events. Thus we cannot see the mechanism of gravity – it is not empirical but we know it to be real because we observe its causal effects. Events and empirical phenomena which we can see and experience directly are caused, or produced, by the necessary way of operating of different structured entities (natural and social). Empiricist explanations rest on a notion of cause as constant conjunction of events, and so take the form of correlations of empirical variables – for instance, ‘the rural poor are poor because they have little land, or low levels of education’. In contrast, a realist explanation would show how the necessary tendencies of particular structures of social relations, existing in a particular combination or circumstances, produce rural poverty.

The realist distinction between real structures and empirical events is important in understanding crucial features of Marx’s work. The theoretical elaboration of the laws which describe the necessary way of operating of particular mechanisms and structures which are real but not empirical; and the explanation of actual events and empirical forms produced by different mechanisms operating under specific circumstances, are two related but different moments of social inquiry. Marx’s appreciation of this difference is evident throughout his mature work. Most of Capital (especially volume 1), is dedicated to uncovering, theoretically, the laws of the real but non-empirical mechanisms of the structured social relations of capital. Of course much of this work does engage in detailed analysis of actual concrete societies, but it does so in order to draw out the basic tendencies of capital as such. Bearing this important feature of Marx’s method in mind, we can now turn to consider aspects of his work which shed light on colonialism, imperialism and the world-historical production of poverty in Africa.

The first point to emphasise is that although Marx used the case of capitalism in England as the basis for developing a theory of the capitalist mode of production, he never conceived such development as arising from and taking place solely within the confines of England. A crucial outcome of his method of inquiry was that his theoretical identification of the mechanisms and structures of capitalist accumulation pointed, logically and historically, to a prior set of historical processes which must necessarily have taken place in order to produce the conditions necessary for specifically capitalist accumulation to take place:

there must have taken place on the part of the capitalist an accumulation – an accumulation prior to labour and not sprung out of it – which enables him to put the worker to work and to maintain his effectiveness, to maintain him as living labour capacity. This act by capital which is independent of labour, not posited by labour, is then shifted from the prehistory of capital into the present, into a moment of its reality and of its present activity, of its self-formation (Marx, 1858:504).
Marx elaborated these historical processes at some length, bringing them together under the theoretical term *primitive accumulation*. This refers theoretically to a mode of accumulation based not on the exchange of equivalents and the accumulation of surplus value arising from the productivity of labour, as in the case of capitalist accumulation, but on buying cheap and selling dear, on coercion, plunder and enslavement. Concretely, it refers to the long and brutal history of, on one hand, the dispossession of agricultural societies of direct producers in Western Europe; and on the other hand, the conquest, pillage and enslavement of societies around the world in Africa, the Americas, China and Asia. Marx was quite explicit about the worldwide violence, bloodshed and destruction which constituted this moment of primitive accumulation on the part of European capital (see Marx, 1867, part 8).

Thus Marx was always clear that, whilst capitalist production in its classical form might have first developed in one nation-state, the conditions of possibility and social ramifications of such development were from the very start necessarily global in scope. This leads to the second point: Marx’s emphasis on the importance of the world market for capital accumulation, both as a necessary outcome of the development of capitalist industry and the concentration and centralisation of capitals, and as its precondition (Marx, 1858:227-8; 528). As he set out at length and in detail, the capitalist mode of production and accumulation is necessarily expansionary requiring an ever-expanding orbit through which capital in its different forms can circulate. The existence of a world market was both a necessary condition for the development of capitalist industry, and a continuously reproduced outcome of such development. For capital to flourish and accumulation to continue on an ever-expanded scale, production and exchange on a world scale, producing for and organised through a world market becomes increasingly necessary and characteristic.

Third, Marx emphatically did not see this development – the ‘growth of the international character of the capitalist regime’ (1867:929) – as a unifying or levelling process which would bring about a uniform pattern of development in all nations or societies. As outlined above, his methodological approach rested on the crucial distinction between the necessary properties and tendencies of real structures and the empirical forms and outcomes produced by such structures operating in particular combinations and conditions. He was therefore sensitive to the varieties of empirical social forms which emerge in the global history of capitalist development, and placed special emphasis on this point. Thus, from his analysis of capital as such, he argued that a necessary process in the development of the capitalist mode of production is the dispossession of rural populations, the destruction of modes of production based on use, and their subordination to production for exchange and the logic of capital. But he insisted that in the actual world the ways in which such developments and changes take place, and the stages which are reached, constitute ‘endless nuances’, ‘myriad forms’, ‘many intermediate stages’ determined in each instance by the structural and contingent particularities of the specific conjuncture, both local and global (Marx, 1858:93). Thus he emphasises:

> the same economic basis – the same in its major conditions ... display[s] ... endless variations and gradations in its appearance, as the result of innumerable different empirical circumstances, natural conditions, racial relations, historical influences acting from outside, etc., and these can only be understood by analysing these empirically given conditions (Marx, 1894:927-8; see also p. 729).

One specific type of development to which Marx devoted much attention was the effects of merchant capital on non-capitalist modes of production. This is the fourth
aspect of his work we must take note of. Far from seeing the expansion of metropolitan capital into non-capitalist social formations as necessarily bringing about the development of productive forces, Marx analysed how such penetration can under certain conditions have considerable destructive effects without leading to any progressive development or transformation of productive forces (Marx, 1894:453-4). The dominance of merchant capital does not tend to revolutionise the mode of production, but ‘simply worsens the conditions of the direct producers, transforms them into mere wage-labourers and proletarians under worse conditions than those directly subsumed by capital, appropriating their surplus labour in the basis of the old mode of production’ (1894:453). He is quite clear about the non-progressive effects of such development:

the most odious exploitation of labour still takes place … without the relation of capital and labour here carrying within itself any basis whatever for the development of new forces of production, and the germ of newer historic forms (1858:853).

this form … impoverishes the mode of production, cripples the productive forces instead of developing them, and simultaneously perpetuates these lamentable conditions in which the social productivity of labour is not developed even at the cost of the worker himself, as it is in capitalist production. … It does not change the mode of production, but clings on to it like a parasite and impoverishes it. It sucks it dry, emasculates it and forces reproduction to proceed under ever more pitiable conditions (1894:730-731).

**Imperialism as the Global Constitution of Capital**

Although he did not use such a term, it can be argued that Marx had a specific understanding of what we can call the global constitution of capital. Marx was always explicit about capital’s dependence upon and reproduction of the world market, and its necessary tendency to spread ‘over the whole surface of the globe’ (Marx and Engels, 1848:37); he also emphasised that the effects of such expansion were varied and uneven. Thus Marx’s analysis of capital reveals clearly its inherently and necessarily global character, both in terms of conditions of possibility and expansionary tendencies.

His theory of capital also shows that the task of securing the conditions necessary for the circulation and expanded accumulation of capital is always political, requiring some form of state regulation and coercion, creation and maintenance of order; and that this in itself presupposes the existence of military force. The forms and manifestations of political power needed to protect and secure the social and material conditions for capital accumulation will depend in part on the forms and level of development of capital itself, as well as the particular structure of classes in any particular social formation.

But we have seen that capitalist development has always presupposed external conditions of possibility. The development of capitalism within the nation-states of Western Europe was always, from the very start, premised upon external economic and political relations with other parts of the world. In other words, the European states and later the US, at the heart of capitalist development, have always been imperialist. The term imperialism is used here to refer to the political relations required to secure the external or global conditions for the accumulation of capital, regardless of whether the capital is itself nationally based. The necessity for imperialism arises from the inherently global conditions of possibility for the development and reproduction of capital. We can thus characterise imperialism as
referring to the global constitution of capitalism, and the particular political order which develops to regulate and secure the accumulation of capital on a world scale. The specific nature of imperialism is therefore not fixed – imperialism is not a transhistorical category. The particular, defining character of imperialist forms and practices manifest in different eras must be carefully specified and explained on the basis of substantive research; they cannot be predicted in advance from theoretical definitions alone. Consequently it is also the case that the effects in societies subject to imperialism will also be varied and their particular forms must be specified in each case. It is possible to identify three broad phases of imperialism in the history of capitalist development: mercantile imperialism, colonial imperialism, and the latest stage which could be termed neo-liberal globalisation.

**Mercantile Imperialism**

During the mercantile period of inter-continental trade and European expansion, the dominant classes in Europe accumulated wealth primarily by means of trade. Merchants bought luxury goods from distant lands, purchased from the ruling classes of local societies. These were transported to growing markets elsewhere and sold at a profit. The development of plantation crops and mining in Latin America and the Caribbean, on the basis of slave labour, made the capture and selling of slaves another branch of lucrative inter-continental commodity trade. Because the source of wealth lay in the sphere of circulation, it was necessary to gain control over that process in order to secure advantage. Thus the specific mode of accumulation determined the form that imperialism necessarily took during the mercantile era. The competing interests of different European powers struggled for control and monopoly over trade routes, trade in specific goods or trade in specific regions, to secure their profits.

These struggles were resolved by means of treaties, agreements, protective duties and monopolies or through protracted wars and conflict, especially in the seas and coastal regions of the world. As Eric Williams emphasises, the bitter wars between the Dutch and the Portuguese, the British and the Dutch during the second half of the seventeenth century, and between Britain and France in the eighteenth century, were conflicts of rival mercantilisms, the struggle being

*confught out in the Caribbean, Africa, India, Canada and on the banks of the Mississippi, for the privilege of looting India and for the control of certain vital and strategic commodities – Negroes; sugar and tobacco; fish; furs and naval stores (Williams, 1987:40).*

This mode of accumulation also determined, in a general way, the nature of effects on various societies around the world. The specifics would have to be identified in each case, but in general the European merchant classes formed trading relations with the ruling classes of local societies. While particular and important patterns of social change resulted from such relations, in general the basis of local modes of production remained intact, rather than being transformed.

**Colonial Imperialism**

Imperial relations took on a new form in the 19th century as a result of the development of industry in Western Europe. With the development of capitalism in its classical form the technical and social organisation of production itself was reorganised according to the logic of capital, enabling accumulation of surplus-value within the sphere of production. Under these conditions advantage arises
inherently from superior productivity rather than control of the process of exchange. Thus Marx observed in the 19th century: ‘Today, industrial supremacy brings with it commercial supremacy. In the period of manufacture it is the reverse: commercial supremacy produces industrial predominance’ (1867:918). Britain, having attained naval supremacy and being the first to industrialise, enjoyed a position of inherent power during the first half of the 19th century, dominating the world market by virtue of its cheap manufactured goods. Britain initiated a series of international free trade treaties in the 1860s, which substantially reduced barriers of preferences and high tariffs between the leading European powers and their empires (Fieldhouse, 1982:177; Hobsbawm, 1997:52), thus allowing Britain ‘freely to undersell everybody in all markets of the world’ (Hobsbawm, 1997:53). By the second half the 19th century, however, other areas of Europe as well as North America were beginning to develop their industries and compete with England, weakening its supremacy.

The development of industry generated new external needs for capital: for raw materials; for expanded markets; and for new opportunities for investment. These could no longer be secured by means of the existing trading relations with foreign societies. The new expansionary requirements of industrial capital required a much more extensive reorganisation of local productive activities and capacities than hitherto. This, coupled with the fact of competition between the various nationally-based European capitals, generated a need for control over whole territories and societies – the resources of nature and labour-power – rather than simply controlling trade at the edges and on the seas. The developing industries of nationally-based capitals each needed to secure and increase their control of foreign territories in order to meet such needs. During the second half of the 19th century the industrialising powers of Europe rapidly sought to consolidate and expand their foreign ‘possessions’, laying claim between them to virtually the entire surface of the globe by the end of the century culminating in the ‘scramble for Africa’. The necessity for foreign territorial occupation therefore arose both from the productive requirements of industrial capital per se, and from the requirement to keep others out.

This new mode of capitalist accumulation based on industry thus generated new forms of imperial relations and new effects in societies subject to imperialism. Meeting the needs of metropolitan capital, in terms of raw materials and productive investment, required a qualitatively new subordination and reorganisation of the productive activities of the conquered local societies. This in itself was necessarily resisted and the act of colonial occupation was a violent one, often involving long military campaigns of so-called ‘pacification’. Subsequently, the task of reorganising local production in the interests of metropolitan capital required direct political control in the form of the colonial state.

**Neoliberal Globalisation**

One of the most important processes of the twentieth century was the successful struggle for national liberation, whether by negotiation or armed struggle, by colonised peoples around the world. So what form does imperialism take today, in a world order no longer characterised by colonial empires but by a system of formally equal sovereign states? The current imperial order is that of the sovereignty of global capital, under the hegemony of the US. One of its defining characteristics is the separation of the political from the economic on a global scale. Ellen Meiksins Wood (1995) has shown how the development of capitalist social relations involves the shift of real social power to the ‘purely economic’ realm of production, and the
consequent ‘devaluing’ of formal political equality. Former colonies have attained formal political sovereignty and equality in the world states system. However, simultaneous to this process has been the increasing shift of real social power to the economic realm on a global scale. The long shift to the latest phase of imperialism has been strongly resisted and contested by social forces around the world, generated by the development of capitalism itself – organised labour in the West, and anti-imperialist movements for national liberation in the third world.

**Imperialism & the Production of Rural Poverty in Mozambique**

The global constitution of capital provides the historic and conceptual context for any full contemporary analysis of rural poverty. Since the early 1990s a particular discourse about development has emerged in Mozambique, which embodies a specific approach to rural poverty alleviation. This discourse is articulated by and informs the practices of a variety of institutional actors: ministries of the Government of Mozambique, bilateral and multi-lateral donor agencies, international research institutions, international economic institutions, international non-governmental organisations and so on. This approach is not homogeneous; nevertheless one can identify defining features of an orthodox understanding of rural poverty.

The orthodoxy typically defines the rural poor as follows: the majority of very poor people in Mozambique live in rural areas and are small-scale farmers. They are poor because they produce mainly for subsistence, and their incomes are very low. Therefore poverty reduction requires increasing the incomes of small-scale farmers. This will be achieved if they produce more cash crops (crops destined for export) as opposed to subsistence crops. Farmers are viewed as rational economic agents, who make decisions about allocation of resources in the context of prevailing conditions (in particular, price signals) with a view to maximising their welfare through maximising income. Freedom is therefore promoted in conditions of an open competitive market, in which farmers are able to make their own decisions as to how best they can allocate their resources to maximise their welfare. This dominant understanding of the nature and causes of rural poverty (GOM, 1995a and b; Addison and Macdonald, 1995; World Bank, 1996b, 1998; MPF et al. 1998) informs a specific set of policies and practices pursued by a number of actors, both national and international. These include the liberalisation of agricultural prices and markets, the promotion of free competition in the rural economy, and various forms of support for rural livelihoods which focus on the rural poor as ‘micro-entrepreneurs’.

Mozambique’s market liberalisation began in the late 1980s, as part of the structural adjustment program, and was heavily promoted by the international financial institutions and in particular USAID (Tickner, 1992). Since the end of the war a great many international non-governmental organisations have been undertaking a range of activities in rural areas, under the banners of post-war reconstruction and rural poverty alleviation. After the initial distribution of seeds and tools to returning refugees and internally displaced populations, activities have included rebuilding rural roads so as to increase market access, and the provision of micro-credit loans and extension services to rural communities so as to help and encourage them to start producing cash crops for the market.

This discourse about rural poverty, and the neo-liberal policies it informs and legitimises, is part of a broader world-view of Africa today which is dominant in Western academia, the institutions of development and public discourse. A defining feature of this view, which characterises both the approach to rural poverty
institutionalised in Mozambique and throughout Africa, and the more obviously reprehensible view of Liddle, is a portrayal of Africa’s condition which removes the long history of capitalist imperialism from view. The empiricist analyses of rural poverty in Mozambique gather data about numerous variables characterising the rural poor, and correlate these variables to conclude that the poor are poor because they don’t earn high enough incomes. This naturalises and dehistoricises conditions of poverty and hunger in Africa’s countryside in the 21st century, rendering invisible the necessary links with world history.

Contrary to the understanding implicit in popular, institutional and mainstream academic understandings alike, the impoverished condition of Africa’s direct producers today – the ‘rural poor’ – is not natural, nor local in origin. Marx’s historical materialist method and theory of capital explains why capital is necessarily expansionary; why the plunder of Africa was an integral part of the primitive accumulation of western capital; why the reorganisation of Africa’s human and natural resources to meet the needs of Europe’s developing industries required colonial occupation and domination. A theoretical understanding of the necessary ways-of-operating of the social relations of capital, combined with detailed historical investigation of the actual process of imperial expansion in Africa over hundreds of years, reveals and explains the processes which produced the systematic impoverishment of the mass of Africa’s peoples, crippling their productive forces without developing them, not changing the mode of production but sucking it dry.

The viability of rural societies in Mozambique was first undermined during the mercantile era as a result of the increasing importance of ivory and gold, and later the decimation of local societies by the export of slaves (UEM, 1988a; Serra, 1986a, b). With the scramble for Africa and the establishment of formal Portuguese colonialism at the end of the 19th century, a new phase of development began, determined by the forms of colonial capitalist development in the southern African region, dominated by mining, plantation and merchant capital (UEM, 1983; 1988b). The particular effects on rural society varied considerably in different parts of Mozambique, with the south of Mozambique becoming a reserve of cheap migratory labour for the mines in South Africa and Rhodesia, while plantation agriculture and peasant commodity production emerged in the north of Mozambique. However, throughout, the extraction of value from African rural producers was central to capital accumulation in the industries of Portugal, in the mines of South Africa, in the plantations of Mozambique. The process of capitalist expansion under colonial rule in Mozambique, and Africa more broadly, had the effect of systematically undermining the capacity of rural societies to meet their own needs through their own production, without resulting in any transformation of local forces of production (Capela, 1977; UEM, 1983, 1988b). Processes of semi-proletarianisation in the countryside, manifest in forms of seasonal labour, peasant cash-crop production, and generally commodification of labour without transformation of the conditions of labour, took place throughout Africa. This was a specific and necessary outcome of the form of development effected by colonial imperialism, and is the basic and primary cause of modern conditions of widespread rural poverty in the continent today. Under colonial rule African economies were reorganised in the interests of capital, which was from the start part of a globally structured reorganisation of societies and productive activities around the world into an international division of labour. This international division of labour is now routinely reproduced by the normal operation of the world market, which political decolonisation has been unable to overcome.
After independence authoritarian regimes emerged in many African states which continued to oppress the popular classes. Many of these, Liddle’s ‘vile dictators’ – Mobuto, Amin, Bokassa, Nguema, Banda, Selassie, Moi – were installed, protected or propped up by imperial powers. In Mozambique the struggle for independence from colonial rule developed into a revolutionary anti-imperialist struggle to create a new society. There were significant problems with some of Frelimo’s policies as well as remarkable achievements in poverty reduction. But far more significant was how the attempt to set out on a socialist path to development was systematically undermined and relentlessly destroyed by Rhodesia and South Africa with the support of the West, through the creation, funding, supplying and coordination of Renamo. Under Mozambique’s current neo-liberal regime of privatisation and liberalisation, which emerged in the wake of this destruction, the ‘rural poor’ are forced by economic necessity rather than colonial coercion to sell their crops on the market for a pittance – the civilised conditions of over-work. The liberalisation of Africa’s markets is not in the interest of the rural producers; it will not enable the development of Africa’s capacity to produce for itself, to meet its own needs. The current discourse of rural poverty alleviation in Mozambique and Africa more broadly thus provides legitimization for a set of practices which form an integral part of the continuing reorganization of the world in the interests of global capital. The mainstream of Development Studies has increasingly become, probably unwittingly, an ideological legitimization for the practices of neo-liberal reordering of capital accumulation in the latest phase of imperialism. This is why it is urgent that we renew the historical materialist critique of bourgeois thought in its current manifestations, and return to examine modern forms of imperialist domination of Africa.

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