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# Running as a resource of hope?[1] Voices from Eldoret

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There is a continuing debate about East African running success. Few studies have considered wealth as a key motivation behind wanting to run. This article focuses upon the motivations of Kenyan women who choose to participate in professional running and the impact on them, their families and wider communities. Much of the fieldwork for this study took place in and around the town of Eldoret. It encourages researchers interested in sport in Africa to develop a political economy approach to running and to critically evaluate the claims made for sport as a resource of hope.

**Keywords:** Kenyan running; women; life chances; motivations; wealth; resources

[L'entreprenariat en tant que ressource d'espoir? Des voix s'élèvent depuis Eldoret.] Il y a un débat qui se poursuit au sujet du succès dans l'émergence de l'Afrique de l'Est. Peu d'études ont considéré la richesse comme étant une motivation clé derrière le désir d'entreprendre. Cet article se concentre sur les motivations des femmes kenyanes qui choisissent de participer à la gestion d'entreprise et son impact sur elles, sur leurs familles et sur les communautés plus étendues. Une grande partie du travail sur le terrain et pour cette étude, a eu lieu dans et autour de la ville d'Eldoret. Il encourage les chercheurs qui s'intéressent au sport en Afrique à développer une approche d'économie politique à l'exécution et à l'évaluation critique des demandes formulées pour le sport en tant que ressource d'espoir.

**Mots-clés :** courir au Kenya ; les femmes ; les chances de la vie ; les motivations ; les richesses ; les ressources

The Rift Valley highlands of East Africa are celebrated as 'the cradle of world class runners' (Nearman 2011, p. B14), 'the epicentre of the endurance world' (Rosen 2008) and 'the world's foremost manufacturer of elite middle- and long-distance running talent' (Dabbs 2012, p. B17). The Rift Valley runs through Kenya and Ethiopia, and to date, the majority of successful Kenyan and Ethiopian runners remain clustered geographically within this high-altitude region (Scott *et al.* 2003). This article focuses on Kenyan female athletes, for whom this great acclaim is justified; since 2000, for example, nine of the 13 first-place women at the Boston Marathon have been Kenyan (Fisher 2012). Furthermore, male and female Kenyans have together won 68 Olympic medals in races from the 400 metres to the marathon, far more than any other African country. A particularly well-documented string of victories belongs to the Kenyan senior men's cross-country team that won the long-distance World cross-country team title every year from 1986 to 2003 (Larson 2007, p. 118). Kenya first gained Olympic success at the Games held in Mexico

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City in 1968, with gold medals won by Kipchoge Keino, Amos Biwott and Natfali Temu, in the 1500 metres, 3000 metres steeplechase and 10,000 metres respectively, and in recent years, runners from the region have dominated track races, cross-country competitions and major marathons around the world (Finn 2012, Tanser 2008, Wirz 2006).

Among female runners in Kenya, the rise of Pamela Jelimo is perhaps the most prominent example of how global sport has had an impact at national and local levels. In September 2008, Jelimo returned to her Rift Valley home of Kaptamok as Kenya's first female Olympic gold medal winner (Makori 2008). However, unlike the men and women who excelled before the era of professional sport, Jelimo combined her breakthrough in Beijing with enormous pecuniary success on the international athletics circuit. During her widely publicised four-month streak of victories in Golden League competitions across three continents, Jelimo earned over US$1,000,000 in prize money. This transformed the 18-year-old middle-distance athlete into one of Kenya's running celebrities in only her first season of racing at the international level. Men greeted her return brandishing 'Pamela Marry Me' placards, the president of Kenya Mwai Kibaki granted her a private audience, and now Pamela Jelimo Road connects her village with the Kipchoge Keino athletics stadium in Eldoret, in a symmetric salute to both groundbreaking Olympic champions (International Athletics Association 2009).

Researchers across disciplines have helped to explain aspects of this high performance in running. These studies include (i) physiological explanations relating to diet, energy balance, neuromuscular functioning, anatomy, genetic make up and body composition (Scott *et al.* 2009, Fudge *et al.* 2008, Onywera *et al.* 2006, Saltin *et al.* 1995); (ii) anthropological explanations relating to traditions, customs and rituals, geography, and the meaning of running to different groups of people (Finn 2012, Denison 2007, Manners 1997, 2007, Leseth 2003); (iii) historical and economic explanations concerning colonialism, imperialism, racism, and the way in which different African nations have responded to independence and the part that sport has played historically in nation-building (Banda 2010, Runciman 2006, Simms and Rendell 2004, Bale and Sang 1996); and (iv) sociological and political economic explanations, which highlight a division of labour, power and corruption in both world and local athletics, the struggle for recognition and respect by men and women runners from different parts of Africa, the development of sport in Africa, and the role of sport in the development of Africa (Bloomfield 2011, Cornelissen 2011, Njororai and Simiyu 2010, Lindsey and Banda 2011, Armstrong and Giulianotti 2004).

Studies that have adopted a political economy approach to sport in the Global South have also been forthcoming. This body of work consists of a number of themes including the governance and ownership arrangements for sports clubs, the production of alienated labour, patterns of labour migration through sport and the export and import of athletes, the production of sporting goods through child labour, different models of state provision and intervention through sport, and the political economy of attracting and hosting major sporting events. Klein's (1989) political economy of sport in the Dominican Republic viewed the history of baseball as an expression of underdevelopment and American exploitation, while Perelman's (2012) account of the globalisation process and the extent to which 'barbaric sport', in particular the Olympic games, has reproduced and sustained unequal patterns of social, political, ideological and economic power is a more recent contribution.

Studies of African sport, in particular, have also contributed to this body of work. Armstrong and Guilianotti's (2004) account of the role of football in African societies considers the contribution that the game has made to conflict, reconciliation and community. Jarvie's 1985 study *of Class, race and sport in South Africa's political economy* remains the most substantive and detailed study to take a political economy approach to African sport. More specifically, this study builds upon Gramsci's ideas of organic and conjunctural crisis to explain the political economy of apartheid sport. It considers the way in which sport was used to impose pressure upon the South African state and how this was resisted. It primarily focused upon those sports that were central to the anti-apartheid struggle, namely rugby, cricket, and football, and the boycotting of major sporting events such as the Olympic and Commonwealth Games. Bale and Sang's (1996) study of Kenyan running raises issues of colonial and developmental relations and suggests that the American system of university sports scholarships plundered Kenya's athletic talent. However, in this otherwise groundbreaking study, the researchers devoted only a cursory attention to female Kenyan runners.

Although a full overview of the political economy of sport lies outside the scope of this article, it is however worth noting several observations about the approach in relation to this particular investigation (for an exhaustive overview of this literature, please see Jarvie and Thornton 2012, Foster and Pope 2004, Nauright and Schimmel 2005). Firstly, notwithstanding the research highlighted above, relatively few studies of sport have sought to ask such questions in relation to non-Western countries. Secondly, while explanations of East African running success have prioritised forms of environmental determinism and high-altitude training, such analyses rarely considered the environment to mean the workings of capitalism, international political economy and wealth creation, or the unequal distribution of resources through running. Finally, even when cross-disciplinary perspectives on East African running have been produced (Pitsiladis *et al.* 2007), studies that have prioritised Kenyan women runners and their motivations for running have not been forthcoming. This investigation therefore fills lacunae within both the political economy of sport literature as well as the existing body of knowledge about Kenyan running. The study also recognises the importance of running in the social and economic landscape of Kenya's Rift Valley and suggests that without considering sport, a political economy approach to studying this society may not be complete.

Existing analyses of East African running success span physiological, anthropological and geographical explanations, yet questions remain about individual motivation and how this is linked to transformations in the international economic order. The article addresses these themes by building upon the above body of research and incorporating the perspective of African runners. It does so in a substantive and analytical way by drawing upon (i) periods of fieldwork conducted in 2010 and 2011, during which interviews were conducted with female Kenyan athletes about their running experiences, and (ii) a survey of some 250 elite Kenyan women runners carried out in 2003.[2] The study also addresses the 'need for research which traces processes of change over time using units of analysis that are capable of accommodating the dynamics of gender' (Peters 1995, p. 261) with female runners' motivations and ambitions providing the starting point for an understanding of how successful athletes perceive the potential of sport to assure material security, opportunities to travel, and personal satisfaction.

## Running motivations

A gold medal won at the 2003 World Athletics Championships earned Catherine Ndereba[3] of Kenya US$60,000, and opened up other lucrative avenues in terms of appearance fees and above all, professional sponsorship through a contract with a major shoe company (*The Nation* 2003). The major marathons also offer attractive compensation schemes. When Ndereba broke the world record in the Chicago marathon in

October 2001, in addition to a significant appearance fee, she received a US$75,000 prize purse, US$100,000 for breaking the world record, and a Volkswagen Jetta worth US$26,125 (Schontz 2002). Even winning relatively minor races can bring significant financial rewards. For Linet Masai, who was raised at an altitude of 9000 feet near the border of Kenya and Uganda, and who is now one of the most prodigious female runners in the world, a first-place finish in a recent Glasgow half marathon earned her US$2200 for the victory – more than twice what her father would expect to make in a year. One of a family of 10, Linet acknowledged that 'life was never easy growing up, but we had good water and my father was always able to sell enough cows for us all to go to school' (Gillon 2009).

The entrance of considerable prize money into the sport of running has had enormous consequences for many Kenyans, which is substantiated by the results of a survey carried out in 2003. In this study, 250 elite female Kenyan athletes between the ages of 12 and 50 were asked what motivated them to run. In all, 80% of the respondents could be classified as elite in the sense that they were either Olympians, junior athletes with great potential or had some international racing experience. On average, participants had been running for 7.9 years. The following motivational factors influenced their decisions to run.

The majority of women declared that money was their primary motivation for taking up athletics (49.2%). In contrast, the Olympics motivated 6% of the athletes and only a small minority of the athletes were driven by fun (1.5%) or fitness (3.5%). In all, 5.5% of female athletes, with an average age of 16.22 years, were driven by the thought of winning an athletics scholarship. This indicates that tertiary education financed through running is a priority for some Kenyan women during the age at which they would enter into a university system. Significant others proved the most important motivation for 12.1% of the sample. Those who cited significant others as a motivation also tended to be relatively young, with an average age of 17.5 years. Together, these findings indicate that as young girls embark on their athletic careers, weight is placed on having both supportive relationships and scholarship opportunities.

The influence of role models was also significant, with 22.1% of those questioned giving this answer as their primary motivation. The oldest athlete who reported being motivated by a role model was only 30 years old (the average age was 17.1 years), which suggests that female athletes of the previous generation were without visible role models to emulate. Therefore, the scarcity – and value – of female role models could in

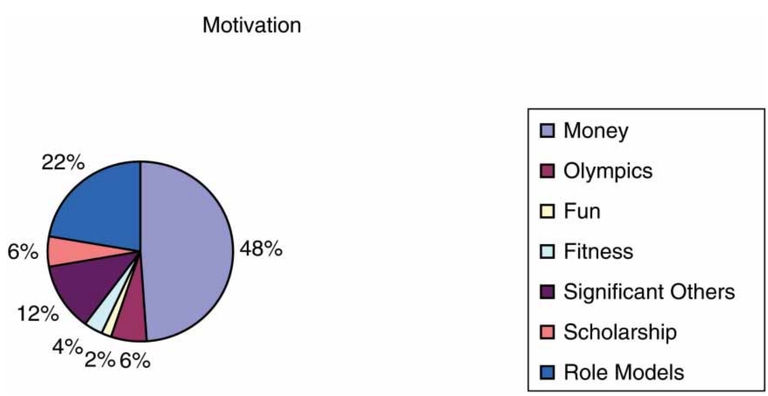


Figure 1. Motivations for running amongst elite female Kenyan runners.

part explain why, relative to Kenyan men, it has taken longer for female Kenyan athletes to emerge on the world stage. It took time before young Kenyan women were able to view the impact of successful athletes such as Tegla Loroupe, Joyce Chepchumba, Susan Sirma, Sally Barsosio and others.[4]

## Voices from Eldoret

Although survey results are useful for observing broad patterns and shared attitudes they do not illustrate specific experiences and they cannot capture the subtleties that may frame and inform survey responses. As Bale and Sang have noted, reducing human performances, and indeed, human beings, to results and statistics fails to make clear the social relationships between those involved in producing them (1996, p. 164). Therefore, to draw attention to the experiences of specific women, discussions with women from the earliest generation of female runners are compared against interviews with female athletes who are now embarking on a running career. These interviews were all conducted in Kenya during two periods of fieldwork, from January to March 2010 and then between December 2010 and May 2011. The focus here is on the relationship between the motivation to pursue athletics and the evolution of financial incentives in the sport.

### *Why do women run?*

Before athletics became a professional sport, women competed because they found pleasure participating in sport. Tecla Chembawai Sang was one of the first female runners to represent Kenya in Olympic competition and she raced in the 400 metres at the 1968 Mexico City Olympic games. She recalls how her keen interest in all sports, even as a young girl, primarily motivated her participation in athletics:

> I was a talented athlete. As a sports person, when I look back on my history, the way I know myself, I did almost everything in school. I was a netballer, I was a soccer player. I was playing with the boys. I played with the boys, volleyball and I was playing in the centre with men.
>
> This was at the beginning. So as I continued, I continued liking, loving running so much. So I started running l00 meters. 200, doing long jump, field events, everything except hurdles. That was the only event that I was not able to do. That's one I never, never tried. But the rest of the events I did. So when I was running, I was running because I liked to run. Not to worry about winning or being defeated. (Interview, 12 January 2010)

Her intrinsic enjoyment of sport was then reinforced by the accolades and praise that successful runners were given during the 1960s in Kenya. In her words:

> So when my division wins there is a lot of excitement. I remember every time when we win and we come back, there is a party! We used to be given a party, even in those days. . . . People would come and sing, the way they sing for you. So from there you are accommodated in a hotel and then the following day you are taken to another district.By the time we reached all the provinces, it would take two months! (Interview, 12 January 2010)

Olympian Rose Tata-Muya, one of Kenya's most decorated female runners, competed in the same era as Tecla and she shares Tecla's intrinsic interest in sport. Rose explains how she was also motivated by the chance to travel, among many other reasons:

> My reason, it was just challenge. Competing with others, interacting with others. Travelling all over the country, all over the world! You know? And I was very good in geography. So it was

> amazing. I like sports. And keeps yourself fit and keeps your life in order. (Interview, 19 March 2011)

On the whole, Rose's outstanding athletics career took place before runners were permitted to receive prize money, which is reflected in her omission of remuneration from the many reasons for why she forged a 25-year career as an elite athlete.

Ruth Waithera, the first woman from Kenya and Africa to qualify for the finals of the Olympics in the 400 metres at the Los Angeles Olympic Games, ran for fame and 'to be protected', which meant the chance to have greater freedom to choose her own path in life. In her words:

> [I ran] to change my life. To get the name, which means to be protected. Because if you have a name, it means you are protected. And people, they know you. And even your life, you are going to be happy. (Interview, 18 January 2011)

Pride bound up with representing the Kenyan nation was also important. As Tecla describes, it was important that 'you have a uniform with a Kenya patch, the medals' (Interview, 12 January 2010).

Intrinsic enjoyment in sport, the desire for fame, the opportunity to represent the Kenyan nation, and the chance to travel abroad were central motivations. But even before athletics became a lucrative career, there were certain material rewards for racing well. In turn, Tecla's vivid memory of her rewards indicates that receiving useful prizes left a strong impression and was probably a significant motivation:

> We used to be given so many presents. Cooking pots and knives. There were teabags. I'm talking about appreciation. You know like Coca Cola would bring so much drinks, many crates. I remember sugar, sugar factories.You would be given so many kilos of sugar. I got two crates of beer. (Interview, 12 January 2010)

Ruth recalls:

> So they give me the rubber shoes. Even, I didn't have the shoes. I was barefooted. So they gave me the bed-sheet, the towel, buckets. When I went abroad, they gave me allowances. (Interview, 18 February 2011)

In short, the difference in the scale of remuneration from cooking pots to million-dollar jackpots should not obscure the fact that runners have from the start received material rewards for their athletics success. But equally, before the advent of professional sport, women did not regard the opportunity to gain material benefits as the primary reason to devote their time and energy to running. While an epistemological debate about oral history methodology is beyond the scope of this article, it should be noted that the social memories collected from these women broadly affirm the historical narrative of athletics and can be located within the evolution of remuneration within the sport. Until the early 1980s, racing for payment was proscribed. Competing for a profit rendered an athlete ineligible for national and international championships (Polley 2000). Eventually, in 1982 under strong pressure from athletes, the international governing body of athletics softened its stance and allowed individuals legally to receive remuneration based on athletic performance – too late for women like Rose, Ruth and Tecla. A decade of transition then ensued, in which the sport discarded the notion that races should be reserved for amateur athletes and running instead became a fully professional pursuit that rewarded its most talented performers, many of whom have been Kenyan.

***From cooking pots to jackpots***

Today in Kenya, some contend that the situation is radically different from the amateur era, to the extent that 'if you remove the money, you will not have sports' (Tecla Sang, Interview, 12 January 2010). According to Ruth, 'nowadays, running is like a business. Because you can see it is how they are getting money. It is like a business because they are making a lot of money' (Interview, 18 January 2010). Susan Sirma, the first woman in Kenya to win a medal at the World Athletics Championships, notes that 'athletes from 2000 until now are different from the ones before. Nowadays everyone is training for that jackpot' (Interview, 14 January 2010).

Margaret Muret also brings to this topic the perspective of a non-elite female runner from the earlier generation. Her niece is Sally Barsosio, Kenya's first female World Athletics Championship gold medalist, and Margaret has long been a strong supporter of Sally's running career. Although she did not advance into the elite levels of athletics, in her youth, Margaret was also a runner and a high jumper and has maintained a lifelong interest in the sport. Margaret's perspective on the changes wrought by prize money is that:

> Of course, it has changed a lot, trust me.You know, money has changed everything. Because I do see now our beautiful friends here … they run because they have seen the athletes owning property, vehicles, everything. They like. Because of money. But during my time, it was because of interest. We were few but these days, so many of them! Because they see their fellow friends, who have run and who have come out of rich. (Interview, 1 April 2011)

Although for many years runners have received remuneration for their efforts, the increased scale of the rewards, and the change in lifestyle that is predicated on lavish prize money, means that the material benefits to be gained through running are no longer one of many reasons to train: it is the central motivation of runners today. This change has, on one hand, had the effect of increasing the number of athletes and attests to how a small subset of elite athletes have provided a powerful source of inspiration and hope for many.On the other hand, the wealth that runners can now gain through racing is of great concern to some, including women from the pioneering generation of women's athletics in Kenya.Ruth Waithera has noted that among the current generation of female athletes competing for Kenya, many emerge as champions – only to disappear as quickly as they entered the international ranks. She attributes this to the manner in which a large amount of wealth accrues to athletes in a very short time:

> And a person who is in this business, it is quick money – like that [*snaps her fingers*]. Lot of money. But they don't go many years.They get the money so quick, and the money then get finished so quick. (Interview, 18 February 2011)

Tecla shares Ruth's position on the changes that professional sport has wrought:

> Too much money. I don't want to be too critical. I just want to say we are dealing with upcoming athletes who are not used to so much money in the first place. They are very poor. You know education could have been the priority and then money comes in. When money comes in, it messes them up. (Interview, 12 January 2010)

Leah Malot, world cross-country team champion and winner of three marathons, attributes the consequences, in part, to a stubborn inability to take advice:

> The problem with the girls at this age, they do not want to listen. If you tell her something, she says 'I know it'. She doesn't want to listen to somebody like me. She just wants to take everything she knows. She wants to do everything for herself. There are so many girls who run together who are younger than me. And when they run in Europe and when you tell her, 'When you get money, you do this, A, B, C, D' and then later on, you will hear that she has failed. Because she has issues with the money, because she will not listen to your advice. (Interview, 24 January 2011)

Athletes who were in the vanguard of women's running in Kenya worry about the dangers posed by the scale, and the suddenness, of the wealth that athletes can now earn by racing well. However, female athletes at the start of their career today concentrate on the materially transformative power that athletics success would confer on their young children and extended families. Louisa, mother of two small boys and aspiring 10-kilometre runner, describes her motivation:

> I run to change my life. I run for my children, not only these two but also for the brother. He is nine years old, still in Class Eight [primary school]. I want to have a *shamba* [farm] some day, for these children. I do not want a man, never again. I want my own *shamba* and I want to have enough to send my children, or the brother, to college some day. (Interview, 9 April 2011)

Similarly, Grace trains so that some day she can earn enough to purchase a plot of land. Her dream is to have

> a piece of land. And then I build a very good house. And then after, after I would build rental houses in town. Money is everything. With money, you can do anything. Without money, you cannot. (Interview, 16 April 2011)

Her position, representative of many female runners who are training today, is strikingly different compared to the motivation of the female runners from the pioneering generation of athletes in Kenya. To them, running was perhaps above all a source of personal satisfaction and a chance to travel outside of Kenya, which was then reinforced and strengthened by fame and community approbation *alongside* the few material resources. Athletics success was certainly made more attractive by the gifts it could elicit, but those relatively slight material rewards were not at the heart of the endeavour. Today, however, as it has become clear that a woman can transform her family's standard of living as well as her own position through running, the primacy of what can be earned through racing has become increasingly central to why women in Kenya choose to run. A young woman in Kenya trains because her objective is to provide a new home for her family, to pay for school fees for children and, in general, to transform her standard of living. In short, the increased scale of the rewards offered from running, which means that athletics represents an avenue through which some runners can radically improve the living standards of themselves and their families, has had an enormous impact on Kenyan women's motivation to pursue a career in athletics.

### *What happens after this money is earned?*

The income generated through professional running has the potential to contribute to poverty reduction in communities in the Kenyan Highlands. Reports published in Kenyan newspapers attest to the significance of this income, and they offer insight into the economic changes that have been wrought, particularly in Eldoret and its satellite towns and villages, when runners insert their winnings into these local economies. For instance, according to the *East African Standard*:

> Rental houses have sprung up all around the area, shops are stocking goods that the best money can buy while new schools and hospitals are gradually being put up. It's all a result of the millions of shillings pumped into the zone by the talented athletes that have emerged from the area. (*East African Standard* 2005)

The *Daily Nation*, Kenya's other major daily, conducted a survey in 2007 to consider runners' impact on Eldoret, Kenya's fifth-largest city, which revealed:

> The money in prizes is fast turning the region from an agricultural zone into a massive investment destination. Eldoret town and the surrounding areas are witnessing a property boom as the sportsmen and women, many of them from the area, set the pace in investing their earnings at home. (Macharia 2007, p. 24)

Editorialist Sulubu Tuva wrote a colourful interpretation of the phenomenon in his weekly column:

> Peasant farmers and other villagers in the Rift Valley are seeing grand villas mushrooming in their neighbourhoods and limousines ploughing through village lanes and the streets of Eldoret. Responsible for these architectural and vehicular testaments to the newly acquired class are athletes, wisened by poverty and who have honed their business management skills at universities abroad. Should we then wonder why our villagers choose to push their children in the direction of athletics? Exploited or not, the little that these athletes earn and bring home is still substantial by local standards. (Tuva 2004, p. 32)

Tuva's comments are insightful, particularly as he highlights concerns that were also expressed by the older female athletes, notably athlete motivation, poverty, and power relations among unequal groups.

The Rift Valley Province has an average rural poverty rate of 48%, and according to Kenya's Central Bureau of Statistics, an estimated 3.18 million poor people (Ndeng'e and Mistiaen 2005, p. 11). Many female runners come from this background, which offers few economic opportunities. If however they begin to run while in school, they have a greater chance to progress until they can gain the attention of either an outside sponsor or from one of the national teams that represent Kenya's main government institutions. Historically the most successful women have secured a position within an institutional team such as the prisons team, the armed forces, or the air force. This confers a significant advantage in that athletes who are affiliated to a particular state institution are provided with the relevant training and support while they compete, since without this support, it can be difficult to maintain the consistent training that successful long-distance running requires.

### *Running as a resource of hope?*

Successful runners give back to the community not only by investing in real estate and other profit-making ventures, but also by contributing to non-profit foundations and other causes – and not only in Kenya. For example, the Mozambican Maria Mutola, former Olympic and five-time world indoor 800-metres world record holder, routinely sent track winnings back to her country of origin. In 2003, when Mutola became the first athlete to collect US$1,000,000 for her outright victory on the Golden League Athletics Grand Prix

Circuit, part of the cash went to the foundation she endowed to help provide scholarships, kit, education and coaching for young athletes (Gillon 2004, p. 30). Farms and small businesses have also been sustained by her winnings on the circuit, which include provision for purchasing tractors, fertilisers and the facilities to drill small wells. Linked with this, it is clear that when the career of a leading world athlete is brought to a premature end the consequences often extend far beyond the track.

Fluctuations in the availability of prize money also have important consequences, and the economic downturn and the ensuing recession have adversely affected the availability of sponsorship money. For instance, Helen Kimutai commented in 2009 that the decrease in the income she earned from sponsorships meant that she and her 'husband Kenneth now rely on income from their farm as opposed to just the profits from the race track to put their four children through school' (Allen 2009, p. 1).

If the limitations of an uneven global political economy mean that parts of Africa are systematically underdeveloped, then why should the resources afforded by running not be viewed as a viable route out of poverty for those who can make it? In part, the promise and possibilities of running are encapsulated in the words of the former Olympic and Commonwealth athlete Kipchoge Keino:[5]

> I've run a lot for water charities and children's charities. I believe we share in this world with members of our society who are less fortunate. This is important. We came to this world with nothing and we leave this world with nothing. So we can be able to make a better world for those who need assistance.
>
> I believe in this world that sport is one of the tools that can unite youth … it can make a difference – we can help to change this world by using sport as a tool. (Interview, 5 February 2007)

Running can influence both economic and capability gaps and consequently contribute to raising the standard of living for some. But it is not a panacea and improving life chances also requires coordinated effort. For instance, when asked about poverty within his native Ethiopia, Olympic champion Haile Gebreselassie recognised that while 'running might help, the real problems would not be overcome by helping Ethiopians to run fast' (2003, p. 12). The scale of poverty and inequality in many places is deep-rooted and on its own, sport will not fundamentally change this. Nevertheless, Kenyan and Ethiopian runners such as Kipchoge Keino, Haile Gebreselassie, Tegla Loroupe, and Lorna Kiplogat have also commented on the political and social responsibility of athletes to use their profile and make their voices heard. Both Nelson Mandela and the former United Nations Secretary-General Kofi Annan have also recognised that sport could be part of an important process of change under certain circumstances. As such any contribution that sport – and running – can make towards reducing social inequalities must build upon a wider coalition of sustained support for other social and progressive policies.

Some of Sen's (2006, 2009) work on development as freedom can be applied to the political economy of running. Sen (2009) argued that inequalities of power matter as much as inequalities of income. His idea of justice exposes the understanding that to be genuinely free you must possess resources that give people the capacity to take action. Sen also argues that the market economy is not a freestanding institution, nor a self-regulating one. You need support from other institutions like the state to take care of poverty, ill-health, illiteracy, and educational achievement and opportunity. Thus, there is more to inequality than disparities of income distribution, and wealth is not the only measure of well-being.

However, people's ability to choose the lives they wish to lead is drastically curtailed by economic circumstances. The life chances approach to narrowing the gap between rich and poor has a role to play in producing this change as it is predicated upon harnessing a strong political narrative and action plan that fits with many people's intuitive understanding that life should not be determined by one's initial socio-economic position. Policy interventions involving running or sport should therefore evaluate how far international development initiatives linked with sport have in fact influenced life chances. It has been suggested here that running for some Kenyan women may have helped to broaden the range of choice but only within certain limits and still only for too few.

Finally, a significant amount of research on poverty has considered the extent to which both socio-economic and geopolitical relations contribute to resource scarcity in both relative and absolute terms. Yet poverty is very rarely mentioned, if at all, within the existing literature on the political economy of sport. It is for this reason that we raise it here. An improved standard of living is not only the fundamental reason and motivation for why athletes from the Rift Valley choose to run but also in other parts of the world, sport has often been perceived as a route out of poverty. A number of initiatives have begun to use sport as the main channel through which to address conflict and the social and economic consequences of poverty. For instance, the United Nations, the Monaco-based Prince Albert Foundation and the Tegla Loroupe Peace Foundation have recognised that sport can provide some resources of hope with regards to peace-building and conflict resolution. Other initiatives, such as the Nairobi-based Mathare Youth Sports Association (MYSA) and the Magic Bus organisation in Mumbai, have specifically used sport as part of a broader social intervention process aimed at tackling poverty, community development and citizenship (Coalter 2008, Kidd, B., 2011). In reality, sport, and in this case running, can only make a small contribution, but small contributions can sometimes make a difference. The benefits for some may include remuneration, raising awareness of social and political issues, philanthropy, support for kinship, and building confidence as well as communities. Yet the sustainability of many interventions often requires running to be linked to sports more broadly along with initiatives such as employment, education and health.

In short, the question of how far running in particular, and sport more generally, contribute to multi-policy approaches for tackling poverty is worth further examination. For now, suffice it to say that within the context of this research, when asked the question 'why do you run', some Kenyan athletes have replied that the answer is simple: 'an athlete in Kenya runs to escape poverty and I fight to survive' (Jarvie 2011). Running for a few provides such an opportunity and not just in Kenya.

## Concluding remarks

Any contemporary understanding of the interaction between sport and the international economic order must involve actively listening to and engaging with other sports communities, places and voices. The research in this article has mainly been based on qualitative interviews, newspaper reports and a survey of Kenyan women runners to understand better how their motivation to run intersects with the changing economics of running. It acknowledges that some successful women runners are helped by having a position that allows them time to train and that many other aspiring Kenyan women runners may not have the same opportunity to realise their full potential. It also acknowledges that running has helped to develop capabilities and wealth for some people while cautioning against an uncritical perspective that running will solve all social and economic issues in Kenya.

Perhaps it is impossible for humanity or sport to arrive at an understanding of the values that unite them, but if the leading capitalist nations ceased to impose their own ideas on the rest of the sporting world and start to take cognisance of 'other' sporting cultures, then any aspiration of a more equitable and just sporting world may become more of a reality. It is not charity that Kenyan women runners want but the tools by which they can determine their own well-being and life chances in a more equitable world. Such an observation is not limited to the field of sport but as the compensation for athletics success has gained primacy among the reasons that some Kenyans today choose to devote time and energy to running, it is clear that many hope to use running to transform the economic standing of their families. A comprehensive political economy approach to running remains a work in progress, but we have argued in this article that issues of wealth and its distribution explain why many Kenyan women run. Kenyan runners have provided an exhilarating spectacle for global sports audiences but what is sometimes forgotten is that the money raised from these performances often provides pathways of hope for other people. The political economy of running provides just as powerful an explanation of Kenyan women's running successes as other scientific bodies of knowledge such as physiology or genetics. Without the prospect of monetary reward, the effort would never be put forth.

The capacity of running to contribute to social change must not be overstated, yet history has shown that some possibilities for change do exist as a result of, and through, sport. On the other hand, the social dimension and possibilities of sport often remain as empty slogans, and reminders proclaiming the principles of equality, justice, and the eradication of poverty have not always sufficed to make a reality of it. The governance of sporting organisations continues to raise questions about transparency, or the lack of it, corruption and accountability. In some senses the contemporary practice of governance in sport is but a microcosm of the broader political economy context. Any politics of sport or running in the twenty-first century must continue to address such issues as poverty, corruption, human rights violations and much more, while at the same time recognising the transformative capacity for sport to make a difference.

Running has helped to change the lives of individuals and more importantly, it has contributed to and facilitated larger social change within and across societies. The hope of improving life chances requires a coordinated effort, and as such any contribution that running can make must also build upon a wider coalition of sustained support for other social and progressive policies. The life-chances approach to narrowing the gap between rich and poor has a role to play in producing social change in that it asks questions about the possibility of any activity or policy to make a difference to people's lives. It requires harnessing a strong political narrative and action plan that fits with many people's intuitive understanding that life should not be determined by either socio-economic position or geopolitical locality and that people do have choices. This can be stated whilst at the same time drawing attention to the fact that some people and places face greater risks and more limited opportunities.

This article recognises that issues of wealth creation and resource distribution, which may help to develop capabilities, are just as applicable to running. It has prioritised the voices of some Kenyan women runners as a basis of substantiating a contribution to a political economy approach to running while also acknowledging that more research needs to be done. However, the issues raised in this article make a contribution to both of these projects and it is hoped that this may encourage further research into the political economy of running and of other sports in Africa.

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## Notes

1. The term 'resources of hope' is used not as an exact term but at a general level it has been adapted from that used by Raymond Williams in his 1989 discussion by the same name, and influenced more recently by the work of Amartya Sen who has indirectly opened up the possibility of thinking about the capacity of sport to develop both economic and human capabilities.
2. The 2003 survey of Kenyan athletes was carried out by Jarvie and Macintosh with assistance from Vincent Onywera of Kenyatta University. The interviews and fieldwork that contribute to this article were carried out between 2007 (Jarvie) and the present, but most recently the fieldwork that took place between 2010 and 2011 was conducted by Sikes. More specifically this involved two periods of fieldwork, first from January to March 2010 and then between December 2010 and May 2011.
3. Catherine Ndereba was born July 1972, recruited into the Kenyan prison service in 1994 and represented Kenya for the first time in 1995. She has twice won the marathon at the World Athletics Championships and holds two silver medals from the 2004 and 2008 Olympic Games. She was awarded the Order of the Golden Warrior by President Mwai Kibaki in 2005.
4. Six years after Susan Sirma won the first World Championship medal for a female Kenyan runner, a bronze at the 1991 World Championships in Tokyo, Sally Barsosio in 1997 became the first woman from Kenya to win a World Championship title. The marathon success of Joyce Chepchumba, who placed third at the Sydney Olympic Games in 2000 and particularly Tegla Loroupe have made them well-known figures in the region. Tegla was three-time world half-marathon champion in 1997, 1998 and 1999 and she broke two marathon world records in 1998 and 1999. Tegla's decision to promote peace in her local community by organising peace races has also contributed to making her success more visible.
5. This interview was recorded at the University of Stirling on 5 February 2007. The former athlete visited the university to develop a partnership between the university, the Commonwealth Games Council for Scotland and the Kenyan Olympic Association.

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# Organised labour and the politics of class formation in post-apartheid South Africa

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This paper will examine the processes of class formation being augmented by South Africa's democratic transition and the impacts these processes are having on trade union organising. Through a case study of the National Union of Mineworkers in the energy industry, it will be argued that affirmative action and employment equity policies are opening up divisions within the union and eroding its unifying class identity. This poses a great challenge, not only to trade union organisation, but also to how we understand the political role of South Africa's trade unions within the post-apartheid era.

**Keywords:** South Africa; trade unions; affirmative action; COSATU; ANC; social movement unionism

[Le travail organisé et la politique de formation des classes après l'époque de l'apartheid en Afrique du Sud.] Le présent document examine les processus de formation des classes mis en croissance par la transition démocratique en Afrique du Sud et les impacts que ces processus ont sur l'organisation syndicale. Grâce à une étude de cas du Syndicat national des mineurs (NUM) dans le secteur de l'énergie, on fera valoir que l'action positive et les politiques d'équité dans le domaine de l'emploi suscitent des divisions au sein de l'Union et entament l'identité de la classe unificatrice. Cela pose un grand défi, non seulement à l'organisation syndicale, mais aussi à la façon dont nous comprenons le rôle politique des syndicats d'Afrique du Sud à travers l'ère d'après- apartheid.

**Mots-clés :** Afrique du Sud ; les syndicats ; l'action positive ; COSATU ; ANC

## Trade unions in the post-apartheid political landscape

This paper will examine how some of the dynamics of change within the post-apartheid workplace are affecting local trade union organising and, potentially, the broader political direction of South Africa's powerful trade union movement. Through a qualitative study[1] of the National Union of Mineworkers (NUM) in the energy industry, the paper will elucidate how affirmative action and employment equity policies are contributing to the magnification of mobility divides among members of NUM. In Eskom, South Africa's infamous electricity parastatal, the growth of a socially mobile layer of workers has contributed to declining levels of rank-and-file participation in the union and a growing sense of fragmentation, mistrust and resentment between ordinary workers on the shop floor. It was

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universally accepted that rates of participation in the union were falling, and that the fallout of this mobility divide was a significant contributing factor to this trend. This problem was compounded by the social mobility of union officials and shop stewards in particular when they accepted supervisory or managerial positions within Eskom; a trend that further exacerbated disaffection with the union among workers and contributed to an increasingly confused union identity.

The paper will attempt to map out the broader *political* significance of some of these internal problems confronting NUM. Historically, NUM played a critical role in the anti-apartheid struggle and the union was instrumental in the formation of the Congress of South African Trade Unions (COSATU) (Allen 2005, Moodie 2010). Its former leaders have also played prominent roles in South Africa's hegemonic ruling party, the African National Congress (ANC). With over 250,000 members, NUM is therefore the largest and most politically influential of COSATU's affiliates, and would arguably have to be central player in any political change in South Africa instigated by the country's trade union movement. At present, this movement is in a governing alliance with the ANC and the South African Communist Party, and whether or not COSATU remains within this alliance will have an important bearing on the country's political future.

South Africa's 'double transition' from apartheid to democracy and, simultaneously, racialised capitalism to neoliberalism (Webster and Adler 1999) has been characterised as an 'elite transition' (Bond 2000), whereby capitalist elites have managed to defend and, indeed, advance their economic position in the post-apartheid era. According to some authors, the ANC government's macroeconomic development strategy has ruled out the radical socio-economic redress expected by South Africa's black majority after apartheid (see Bond 2000, 2003, Marais 1998, 2011). In the last five years, the country has witnessed levels of industrial action and township unrest that are unprecedented in the post-apartheid era (Ballard *et al.* 2006, Barchiesi 2006, Death 2010, Desai 2002, Legassick 2007, Pithouse 2004). It has been speculated that this 'new struggle' marks the beginnings of a post-nationalist political era (Bond 2000, p. 250, 2003, p. 45, 2010, Saul 2005, p. 239) as the ANC's supposedly 'exhausted' nationalist project is confronted by an emerging class-based politics fuelled by the 'ineluctable logic of class struggle' (Alexander 2002, p. 182).

The role that South Africa's trade unions might play in these new political struggles, however, remains unclear. Given the centrality of trade unions in many of the political struggles against colonialism, authoritarianism and neoliberalism across Africa (see Beckman and Sachikonye 2010, Kraus *et al.* 2007), the important role they continue to play in political developments in neighbouring countries (Larmer 2006, Matombo and Sachikonye 2010, Raftopoulos and Sachikonye 2001), and the fact that the COSATU represents the largest and most organised section of South African civil society, it can be argued that a new class-based politics in South Africa will find little traction without the involvement of COSATU. Indeed, South Africa's trade unions are believed to hold the key not only to galvanising a new class politics in South Africa; they are also lauded as an example for labour movements in other parts of the world to follow in the struggles against neoliberal globalisation. This stems from COSATU's pivotal role in the struggle against apartheid: it was a role made possible by an adherence to what Webster (1988) identified as 'social movement unionism' (SMU), combining deeply embedded traditions of democratic shop-floor organisation (which encouraged rank-and-file militancy) and engagement in a broader political struggle to overcome apartheid in alliance with other social movements (Baskin 1991, Buhlungu 2004, Friedman 1987, Siedman 1994, Wood 2003). This won the labour movement global acclaim, and academics heralded South

Africa's unions' virtuous commitment to democratic organisation, membership participation, linkages with civil society, and broader social/political goals as a model of unionism that could be replicated elsewhere in an effort to regenerate labour moments in the north in particular (Clawson 2003, Moody 1997, Waterman 2001). Moody (1997, pp. 201–227), for example, implores northern unions to 'look south' to the example of SMU offered by unions in Brazil and South Africa who, he argues, have retained a 'solid class outlook' in their political organisation.

But are South Africa's unions in a position to lead a new left-wing politics informed by such a 'solid class outlook' and grounded within the organisational principles of SMU? For one thing, evidence suggests that support for the ANC is still strong among ordinary union members (Beresford 2009, 2012, Buhlungu *et al.* 2006b, Ebrahim 2002, Pillay 2006; Southall and Wood 1999) and that workers are wary of the idea of a new workers' party emerging from the unions (Pillay 2006). Despite this evidence, some scholars continue to argue for the need for COSATU to form an electoral alternative to the ANC in order to introduce 'substantive uncertainty' into South Africa's dominant party system, without which the ANC's nationalist project will continue unchallenged and the goals of socio-economic transformation will go unmet (Habib and Taylor 1999, Harvey 2002, Legassick 2007). Other authors suggest that COSATU must forge linkages with South Africa's burgeoning 'new social movements' (Bassett 2005, Bond 2010, Ceruti 2008, Ngwane 2003) and become part of the fabled 'movement of movements' offering a counter-hegemonic challenge to global neoliberalism (Gill 2003, Mertes 2004).

This article will explore some of the internal difficulties that COSATU and its affiliates might face in galvanising such a new class-based politics, leaving aside the debates as to whether such a move would be supported by its members. It is argued by some authors that COSATU's affiliates continue to exhibit the virtues of the SMU model in terms of maintaining grass-roots democracy (Brookes *et al.* 2004, Buhlungu 2004, Donnelly and Dunn 2006, Hirschsoln 1998, 2007, Wood and Dibben 2006, Wood 2003, Wood and Dibben 2006). Rank-and-file participation in COSATU unions is indeed still considered to be high (see Wood and Dibben 2006, Wood and Psoulis 2001, pp. 300–310), leading Brookes *et al.* (2004, pp. 773–774) to argue that through this participatory culture COSATU 'successfully reconstitutes its role as a social movement and remains committed to militant mobilisation'. In a similar vein, Wood and Psoulis (2001, p. 310) draw a conclusion that through this capacity to mobilise its members 'COSATU remains one of the most effective trade union movements in the world'.

However, the union movement has encountered several problems which undermine its capacity to maintain democratic practices and militant mobilisation. Several authors, for example, have pointed to how the union movements' political outlook has become confused since the ANC government took power, and that it has gradually adopted a more defensive posture vis-à-vis the government's macroeconomic policies (Catchpowle and Cooper 2003, p. 26, Lehulere 2003, Van Driel 2003). As one National Labour and Economic Development Institute (NALEDI) (2006, p. 26) report notes: 'There has been a tendency by COSATU … to respond within the terms set by the neo-liberal political climate advanced by the ANC, rather than challenging these much more boldly and decisively'. This confused political platform has been compounded by the so-called brain drain of talented union leaders entering into government positions and senior private-sector jobs, and by the unions themselves setting up investment companies (see Iheduru 2002, Southall and Tangri 2006). Bramble (2003, p. 190), concludes from these trends that 'the result at grassroots level is widespread bewilderment, demoralisation, and a perception that the union movement is beating a continual retreat'. Some analysts have also pointed to increasingly undemocratic tendencies emerging within COSATU affiliates in the post-apartheid era, particularly as certain groups such as women (Tshoaedi and Hlela 2006), young workers and casual labourers are far less likely to participate in union structures (Wood and Dibben 2006). There have also been notable instances of an increasingly bureaucratised union leadership bypassing democratic procedures by reaching compromises and accommodations with management without the mandate of their more militant membership (Desai 2008) and the related problem of union leaders using their positions for personal advancement (Buhlungu 2002, Maree 1998, Webster and Buhlungu 2004, Wood and Harcourt 2000). These tendencies have not only undermined union democracy, they are also contributing to a declining participatory culture in the unions, in which members are increasingly becoming passive recipients of officials' initiatives (Bramble 2003, Buhlungu 2002, Von Holdt 2003).

According to some authors, the broader significance of these trends is that they have stymied the militancy of COSATU's rank-and-file in the workplace, and have undermined strike activity in some instances (Bramble 2003, pp. 189–191, Buhlungu 2002, p. 15, Desai 2008, Maree 1998, pp. 35–42, Van Driel 2003, p. 78). It has been argued that in cases where this militancy has taken a more political direction, in the form of demonstrations against the government during strike action, COSATU's leadership have channelled this militancy *away* from a broader political challenge to the ANC's nationalist project; exemplified by the COSATU leadership's embrace of Jacob Zuma as their political champion in the 2007 ANC succession race (Bassett and Clarke 2008, Bond 2007, Ceruti 2008). Although, as I have discussed elsewhere, some of these trends of bureaucratisation and the erosion of democratic practice are evident in the dynamics of NUM's organisation in Eskom (Beresford 2011), in this article I will draw attention to other factors that have led to the decline in militant mobilisation in NUM. The dynamics of post-apartheid class formation, it is argued, are contributing to a confused union identity. Rather than displaying the prerequisite 'solid class outlook' that Moody *et al.* argue is essential for galvanising a more political SMU, some of the profound changes to the social structures and bonds of solidarity within the union explored in this case study present significant obstacles to NUM spearheading a new class-based politics. If, as other scholars suggest, these internal dynamics are evident in other industries, this has broader reaching consequences for how we understand the political potential of South Africa's union movement (Bezuidenhout and Buhlungu 2007, 2008, Buhlungu 2010, Von Holdt 2002, 2003).

## Employment equity, affirmative action and the mobility divide

The sheer diversity of Eskom's workforce makes it fairly unique, in the South African context, for such a large-scale national industry. NUM's membership in Eskom reflects this diversity and, indeed, as I will elucidate below, the union's strategy is premised on providing representation to a broad range of workers from the blue-collar, manual workers (the 'labourers') right through to senior management, including power-station managers. Eskom's workforce in the power stations is predominantly composed of manual workers of varying skill levels; the vast majority of desk-based administrative work is carried out in the administrative centres away from the power stations themselves. NUM's membership in the power stations is not only diverse but also spatially separated in the workplace, both visually, in terms of the uniforms they wear, and also physically, due to the sheer scale of the worksites and the diverse roles that these workers are playing. This separation is reinforced by the large disparities in the salaries earned by NUM's members; disparities that are found across NUM's organisation in other sectors (Bezuidenhout and Buhlungu 2007, p. 251).

Those in the lowest job grades, who constituted the majority of those interviewed, can expect to earn around ZAR65–70,000 while those in more skilled professions, such as artisans and senior technicians, could expect to earn double this figure at the very least. Some of the engineers and senior managers that NUM also represents could also expect to earn four or five times as much as those workers on the lowest pay scales. These disparities within the power station, which are reproduced daily through the spatial separation of workers in the power station, are also reflected outside of work through the noticeably divergent consumption patterns exhibited by the different strata of workers.[2]

While NUM's membership in Eskom was already reasonably diverse before the end of apartheid, employment equity and affirmative action policies introduced by the ANC government have intensified the stratification of NUM's membership since 1994. Eskom and other parastatal companies were under considerable pressure to become forerunners in terms of employment equity and affirmative action policies in the early 1990s. NUM's national office bearers, regional leaders and, at the power station level, members of the branch executive committees (BECs), held an extremely positive view of Eskom with respect to its affirmative action and employment equity policies; policies that they heralded as a 'victory' that the union had struggled hard for (Interviews with Oupa Komane, 20 November 2007, and Frans Baleni, 6 November 2007). One of the unintended consequences of employment equity policies, however, has been the manner in which they have contributed to the diversification of NUM's membership in Eskom. A growing mobility divide within NUM's membership has emerged between a relatively skilled section of the workforce endowed with greater human capital (in terms of education, language skills and training) and social capital (in terms of relationships developed with managers), and the relatively unskilled 'labourers' who had relatively few prospects for upward mobility within the company.

This mobility divide, however, was depicted by most workers as a generational divide because this is perhaps the most easily recognisable characteristic of the differences.[3] This divide was framed in quite general terms by workers as being between the 'young' workers who had entered into employment in Eskom since the 1990s and the 'old' workers, usually in their mid forties and fifties. Many older workers expressed a deep sense of alienation in the workplace with respect to their prospects for upward mobility. Older workers contrasted their predicament of being stuck in low-paid, low-skilled and vulnerable jobs in Eskom with the relative mobility of the younger workers who, they argued, could use their qualifications to advance in Eskom or to 'escape' to better paid jobs in the nearby mines, which they considered to be too physically demanding or required greater skills than they possessed. A common perception voiced by workers was that better wages could be earned in the nearby mines where the workers were 'living rich' and 'earning twice as much' as workers in Eskom. Those 'left behind' complained that they were marginalised from such opportunities and often described themselves as 'trapped'. Whether the grass was indeed greener in the mines is a moot point: these narratives, through which older workers lamented their relative inability to 'escape' Eskom compared to their younger counterparts, became one of several ways through which a growing mobility divide was expressed in generational terms.[4]

Older workers often argued that not only were they unable to leave behind the miserly wages offered by Eskom, they were also treated 'disrespectfully' within the power stations by being looked over for promotions and the training opportunities offered to younger workers. They would complain bitterly that they felt that Eskom would never consider them for promotions – even to supervisory positions – even though they felt their greater experience in the job made them more 'skilled' than their younger counterparts –

particularly young females[5] – because they did not 'understand the job' as well as they did. During one of the group interviews I conducted with workers who were all in their mid fifties or older, one worker complained that:

> You see at Eskom there is a problem. If you are not educated, you are nothing, you are rubbish. But you see I built this power station and I have been here [for a] long, long [time]. I am old. These young educated guys they come here now and get everything...

At which point another member of the group added:

> When they come in the plant they go straight past me and talk to managers [without asking for my opinion] and they forget about me, they call me *madala* – old man – they push me, and they say I must go home. (Group interview with Eskom workers, 21 December 2007)

This sense of being 'pushed around' in the workplace was widespread among some of the older, less-skilled workers who felt deeply alienated and, in some cases, embarrassed by what they saw as the 'arrogance' of their younger counterparts. In general, they expressed a sense of resignation and alienation because employment equity policies had unevenly benefited what they saw as their younger counterparts.

It was indeed common for *skilled* young NUM members to recognise their relative privilege. Lindelani, for example, is a skilled worker in his early twenties with matric qualifications and also a technical diploma. He was hired by Eskom a few years previously and, following his training, was already hopeful of achieving promotions in the future. He argued that the greater opportunities available to the younger, more skilled sections of the workforce were creating feelings of resentment within NUM's membership and was therefore 'dividing the workers' because

> it makes some workers think that they are better than others. So from my side, in terms of my salary, I feel like I am better than them [lower-skilled members]. What you find is that some of us guys have qualifications that we can use around Eskom [to get a promotion] or even outside [the company in other industries] so that is why we feel different from them. I feel that I have the confidence to take my qualifications and go somewhere else [to get a job] if I need to. (Interview with Eskom worker, 10 December 2007)

While the majority of these more skilled workers discussed the predicament of their less-skilled counterparts in a sympathetic fashion, some were notably dismissive of the resentment they encountered from older workers. In particular, newly employed supervisors or line managers reported that they encountered 'old fashioned' attitudes among older workers who resented being told what to do by their younger contemporaries.

This fragmentation of the workforce in Eskom is not unique. Indeed, Bridget Kenny's (2004a, pp. 328–334) detailed study of retail workers in the East Rand also highlights how the 'metaphor of age' has provoked generational cleavages within the workplace because age has become a primary marker of difference. Kenny (2004a, pp. 328–334, 2004b) found that the fragmentation of the workforce along generational lines was fundamentally rooted in the differentiated employment status of young and old workers: in her study, the older workers were in permanent, protected positions whereas younger workers tended to have casual or subcontracted employment status, and that 'casual workers articulated their displeasure with declining conditions through resentment of permanent workers, a more proximate target than distant regional or impotent store management' (Kenny 2004b, p. 491). Although in Eskom it was the younger workers who were considered to be the relatively privileged 'generation', here too the metaphor of generational divide more accurately reflected a growing divide between workers with different levels of social mobility; a divide that did not always fit in with rigid age categories.

Million, for example, is a 20-something counterpart of Lidelani, whom he is not familiar with. Million rarely crossed paths with Lindelani on a day-to-day basis, despite being the same age. He was asked what his job role was when the interview began and, in response, complained bitterly for some 20 minutes about his job title of 'utility man'. The job role involved performing various maintenance tasks across the station, which required no substantial prior training. The job title, he said, inhibited his chance for promotion or further training because it was too ambiguous, and the job was not situated at the bottom rung of a particular career ladder. He complained that he would be 'trapped' in this job 'forever' 'until the union addresses this issue' (Interview with Eskom worker, 12 December 2007). Million was also concerned that workers performing similar low-skilled functions to him were increasingly finding their employment status with Eskom terminated, and their jobs 'contracted' to independent labour brokers, who would invariably offer lower wages and employment benefits. Million is not alone: there were many less-skilled young workers who faced a great deal of alienation in the workplace, not least because Eskom has increasingly used external, independent 'contractors' to hire workers in roles that are deemed to be 'non-core' to the power station's functions; a trend that can be witnessed across many South African industries (Bezuidenhout and Buhlungu 2008, Kenny 2004a, Webster and Von Holdt 2005, Webster 2006). Young, low-skilled workers therefore exist in Eskom: some work alongside their older counterparts, such as Million, while many of them are increasingly invisible in both the workplace and the union due to their less formal employment status. Therefore, while these divisions were most often framed in generational terms by workers themselves, because this was perhaps the most easily identifiable characteristic of difference, it really reflected an emerging mobility divide characterised by unequal levels of social mobility and a growing sense of mistrust and animosity between workers with greater mobility prospects and those without.

## The 'generational divide' and the changing culture of union participation

Shop stewards and NUM officials right up to the national leadership regarded the declining participatory culture within the union, evident in falling attendance rates at union meetings, as *the* largest and most significant challenge that NUM faces. Although space does not permit a discussion of all the various factors contributing to this dynamic here, the mobility divide discussed above had a major bearing on the nature of workers' participation within NUM's structures. In this respect, Job Matsepe, the NUM's national organiser for the electricity industry, identified what he believed to be 'two worlds in the same organisation' which held distinctly different attitudes towards the union and how they should participate within it. The first comprised the (generally younger), better-educated and skilled sections of the workforce, and the second comprised the (generally older), less-skilled 'labourers' (Interview with Job Matsepe, 25 April 2008). Union officials at all levels agreed that the more skilled workers were generally[6] less likely to attend union meetings and this perception was not only shared by workers themselves, it was confirmed in their attitudes towards participating in the union and by my observations at meetings.

The general feeling among 'old', less-skilled workers and, indeed, shop stewards and officials, was therefore that the 'young', more skilled members of NUM, simply did not share the sense of collective solidarity that they were 'supposed' to. As one shop steward remarked, this different approach to life had knock-on effects for how they engaged in NUM structures:

> There is a difference [between the generations]. I'm not sure how to put this but maybe you see these young people are involved more in drugs, liquor and all these things. In terms of participating [in the union] there are some who participate but not like in the past. You don't find them participating that much like the 1976 youth[7] [would in the union]. They have stopped participating so the interest [in the union] is really going down, I must say. (Interview with Eskom worker, 20 December 2007)

This difference in the way 'younger' workers approached the union was identified as something apparent across the NUM's organisation in other industries and other parts of the country. It was a dynamic that Piet Matosa, then NUM's highveld regional chair, said was being discussed at a national level because

> it is something that is widespread. And I think we should be worried about what do we teach the young ones and the youth joining the unions. Now you will remember that in South Africa the political climate has dramatically changed. I joined the mining industry as I've said when a certain group of people were not allowed to be members of a trade union and oppression was the game of the day. Now there is no more apartheid; people are no more beaten [anymore]. At times it is difficult to identify the enemy. The drop in union meeting attendance is [because] the type of people that are joining the industry don't have the same problems that we had when we were joining the industry. Something what I think is driving these young guys is *possession.* Possession in terms of what do I own as an individual, what do I want as an individual. (Interview with Piet Matosa, 27 May 2008; original emphasis)

It was therefore often alleged that the more skilled 'youngsters' engaged in the union in a passive, individualistic manner, rather than displaying the kind of enthusiasm for collective activism supposedly displayed by former 'generations'. It was often alleged – in a range of metaphors – that these workers treated the union as an 'ambulance service', which they would only 'call out' in the case of a personal emergency, such as when they faced an individual disciplinary hearing. One full-time shop steward, Joe Skosana, said that more skilled members entering the union increasingly treated it as a professional legal service which was there for advice and representation – should the need arise – and that they did not see the broader importance of contributing to the union's organisation as a whole (Interview with Joe Skosana, 16 May 2008).

Once again, however, although this was framed as a generational divide, pertaining to a difference in the cultural values that each generation held, it is equally important to understand the differences in workers' attitudes towards participation within the union's structures as being determined by relative social mobility. For example, I found that young, unskilled workers *were* engaged in union meetings and were very knowledgeable about both recent meetings and union affairs in general. On the other hand, young skilled workers often displayed a far more individualistic attitude towards the union. This can be partly explained by the fact that they are less dependent on the union to improve their livelihoods than their less-skilled peers are: unlike the 'labourers' who were almost completely dependent on the collective bargaining of NUM to improve their salaries, training prospects and general well-being in the workplace, the skilled sections of the workforce were often able to pursue their interests through individual negotiation with management. A member of the branch committee at Arnot power station remarked that this was something that branches across the country had been discussing at shop stewards' councils and that

> You only find these old people attending the meetings and it looks like they are the only motive force now because the young people they come and they are well-educated and they get placed in nice positions. The old people, they are still struggling with the salaries and everything and they will not get the manager coming to say [to them individually] that 'I want to increase your salary by this amount and all that': they only receive incremental salary increases whereby the unions have negotiated that particular amount of increment. So it's very disappointing. It's the same situation at Duvha [power station] and I guess even at Kriel [power station] where we only get the old people attending meetings. So the older comrades are the only motive force behind the union at this time. (Interview with Eskom worker, 20 December 2007)

In this respect, shop stewards and officials in NUM would often relay to me the difficulty they faced in trying to draw some of the more qualified workers into meetings. Skilled workers explained that this was usually down to them being more concerned with their own career advancement, and were sometimes wary that becoming too heavily involved with the union was a potential 'distraction' and something that consumed too much of their time. They said that they would be told or 'reminded' by management that it was not in their interests to 'waste time' becoming actively involved in NUM structures. When meetings are held during working hours, as they are at Duvha power station, workers in skilled positions, or who were supervisors or managers, protested that they could not be 'irresponsible' and leave their posts to come to the meeting. Furthermore, they said they felt pressured to leave their job to attend a meeting because their managers would accuse them of prioritising the union ahead of their career.

This is not to suggest that the more skilled workers simply 'have it easy', although they are clearly privileged compared to their less-skilled counterparts and broad sections of South Africa's black population who are unemployed, in casual work or mired in rural poverty (see Seekings and Nattrass 2005). What is important to emphasise here is that their capacity for social mobility makes them better equipped to navigate the challenges of living in post-apartheid South Africa as individuals, and this makes them less dependent on the kinds of collective solidarities that ironically made this social mobility possible in the first place. Indeed, labour analysts have pointed to the difficulties that COSATU's affiliates have found when attempting to mobilise the growing number of skilled members they represent, who place different demands on their unions than the low-skilled workers that formed the majority of their membership back in the 1980s and early 1990s (Webster and Buhlungu 2004). Although it would be crude to argue that *all* skilled workers were disengaged from the union, the general trend of this cohort being less engaged in union affairs was observed widely among union members, their shop stewards, and also the national leadership, albeit framed in these generational narratives. This was seen as a major reason behind falling rates of participation in the union's structures which, it was often argued, was contributing to a growing demobilisation of ordinary members. It was clear from my research, however, that a small section of skilled workers *were* involved in trade union structures. As I will now discuss, however, this sometimes had a damaging impact on the bonds of solidarity between shop stewards and ordinary members.

## The compromised integrity of union structures

The erosion of the class integrity of NUM's structures has contributed to a decline in the trust union members have in their union, which has served to compound some of issues of members disengaging from the union discussed above. The end of apartheid offered unprecedented opportunities for the organisations that were formerly involved in the national liberation struggle to engage with the state, which has often led to the bureaucratisation of these organisations, notably with the creation of full-time positions for senior figures. Scholars have commented on how a 'race to riches' has affected the organisational dynamics within the various branches of the liberation movement, in both the ANC (Butler 2007, Cronin 2005, Lodge 2004, Motlanthe 2007, Southall 2008) and South African National Civic Organisation (SANCO) (Seekings 2000, Zuern 2001) as leading positions within these movements increasingly represent secure forms of employment and/or stepping stones into lucrative jobs in the private sector. In this respect, Buhlungu notes that this has also affected the trade unions because

> the opening up or deracialisation of society triggered class formation on a scale that has no precedent in black South African history. Activists of the struggle period were catapulted into new positions of power and high remuneration without the stigma that was associated with those positions in the days of apartheid. These processes of class formation were part of the context within which unions were operating and they shaped developments within the union movement. (Buhlungu 2002, p. 15)

Labour analysts have highlighted how the pressures on the unions to engage within the institutional spaces available to them in the post-apartheid period has led to the ascendance of an elite 'professional' bureaucratic layer of union officials which has led to increasingly top-down decision-making and the gradual depoliticisation of union activity (Buhlungu 2002, p. 5, 2010, Lehulere 2003, p. 38, Maree 1998, p. 35). Buhlungu, for example, argues that 'processes of organisational modernisation in a context of political transition and integration of South Africa into the global economy' has led to a changing role for union officials 'manifested by the disappearance of the activist organiser and the emergence of new types of union officials' (Buhlungu 2002, p. 3). He argues that there has been a decline in the politically driven 'activist organisers' of old and a growth of 'career unionists', who want to make a lifetime career out of their union work, and the 'entrepreneur unionists' who want to use union positions as stepping stones to promotions within the company that they work (Buhlungu 2002).

It is also possible to witness similar processes of class formation within the unions at the workplace level. One of the more complex issues arising out of the opportunities created by affirmative action policies, for example, has been the phenomenon of NUM shop stewards being promoted into supervisory and management positions in Eskom. This is an issue affecting COSATU affiliates in other industries (see for example Von Holdt 2003) as well as NUM (see Bezuidenhout and Buhlungu 2007, pp. 250–259, 2008, p. 272). It has long been noted that shop stewards in the UK find themselves in a contradictory location between management and union members, and that they are usually required to take on a mediating role between the two (Lane 1974). In this respect, Webster notes how the post-apartheid era led to new pressures being exerted on shop stewards because they are no longer simply there to 'stir up trouble' and have increasingly been required to play a 'managerial function settling grievances' (Webster 2001, p. 197). As such, Webster contends that

> [the behaviour of shop stewards in South Africa cannot be fully understood without exploring how their identity in the workplace is shaped by the changing political context. The apartheid workplace nurtured strong, oppositional shop-floor structures and blocked the promotion of shop stewards; the abolition of political apartheid has led to a decline in shop-floor structures and the rapid promotion of key shop stewards. (Webster 2001, p. 197)

The end of apartheid then, not only reconfigured the relationship between shop stewards and management, it also lifted any restrictions – whether legal or simply normative – on skilled (and usually charismatic) shop stewards taking up managerial positions.

The significance of shop steward promotions was brought to my attention by workers who would regularly raise the issue as a primary concern when given an open question about NUM's performance at the local level. During my research I witnessed first-hand, the promotion of one shop steward and one full-time shop steward. I also heard countless tales from branch leaders and union officials of shop stewards that had been promoted, with varying perspectives on the impact this was having on the union itself.

A prerequisite for such promotions was, of course, that the shop steward concerned had the skills required for such a promotion into supervisory or management roles. Workers and officials generally reported that it was shop stewards who already had relatively good skill levels that were being promoted, and that it was not just because he or she was a shop steward *per se*. Nonetheless, it was clear for some of these workers, becoming a shop steward did serve to enhance their prospects for promotion, and that becoming involved in union affairs was therefore potentially rewarding. This depended on individual circumstances, but it was widely held by workers and officials alike that being a shop steward benefited workers in two particular respects. First, it would improve their human capital in terms of giving them experience of negotiations, carrying out administrative functions, and also mediating potentially antagonistic relationships between workers and managers. Newly elected shop stewards also receive direct training from the union itself, giving them important skills in human resource management that could compliment their existing technical expertise and distinguish them from their peers.[8] Second, being shop steward also increased their social capital understood as 'the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing *a durable network of more or less institutionalized relationships* of mutual acquaintance and recognition' (Bourdieu and Wacquant 1992, p. 119) through personal interactions and increasing familiarity with management. Workers would often remark that shop stewards would use their position, for example, to 'get in the eyes' of managers and draw attention to their skills. As Piet Matosa, the regional chairperson for NUM, remarked:

> Unfortunately there is nobody that doesn't want promotion. Now once you are identified by an employer, that 'no, this guy is trainable, we can take him for further training' our members get absorbed by the employers and unfortunately there is no way that the union can stop anyone from progressing. (Interview with Piet Matosa, 22 May 2008)

The scale of this phenomenon of shop stewards being promoted to management positions is, however, difficult to quantify. Workers, just like their officials, found it difficult to offer any accurate and verifiable account of the numbers of times this happened. The significance of this phenomenon – whatever its size – lies in the fact that it alters the manner in which the union, and its structures, are *perceived* by ordinary workers.

Survey evidence and analysis provided by the Society, Work and Development Institute (SWOP) team suggests that workers are remarkably ambivalent about the phenomenon of shop steward promotion, with half of the workers surveyed agreeing with the statement that 'it is acceptable for shop stewards to be promoted into management positions' (Southall and Tangri 2006, pp. 120–121). This kind of attitude was recognisable among Eskom workers who generally saw shop steward promotions as something of a double-edged sword: while they were mindful of the potentially debilitating effects this process would have on union organisation, they nonetheless often framed it as a natural process and one that could potentially improve their own lives. They were often sympathetic towards their shop stewards' aspirations of upward mobility. Trying to attain promotion through such means was broadly regarded as understandable, considering the material hardships that many black workers continued to face. One worker, Moses, for example, said that: 'I've got 8 children and I'm earning [ZAR]1500 [per week], this is why a shop steward take management position if given' (Interview with Eskom worker, 10 December 2007). It was often said that it was 'natural' for workers to want to 'feed their families' or 'put bread on the table'. Workers would often say that they did not see anything wrong *per se* if a shop steward was promoted owing to his skills and ability and there were very few workers who begrudged their shop stewards being promoted simply *because they were a shop steward.* After all, as it was regularly pointed out to me, 'shop stewards don't elect themselves' and workers said that they would re-elect shop stewards who had demonstrably performed for them, even if in the process they had been promoted to management positions.[9]

Furthermore, the promotion of shop stewards into management positions and, indeed, the presence of supervisors and management in the union structures in general, was not necessarily framed in a negative light, or as being inherently contradictory. Ordinary workers argued that seeing their comrades promoted was, in itself, reflective of a broader 'victory' of the transition from apartheid consolidated through having 'their own' representatives in positions of management. It was commonly expressed that 'comrades' who pursued their personal ambitions would, in some way or another, be able to 'assist' the members they were 'leaving behind'. At the very least, workers hoped that having their own leaders promoted would ensure a more sympathetic 'ear' in management. It was regularly expressed that an understanding management would treat them better and 'understand' their plight. It was often said by shop stewards and officials that it was better to have these personal links with management because 'you know this guy' and that 'you know you can influence him' or that he would 'give us a platform' to speak to him or her. Such a view was shared by the local shop steward branch executives as well as the regional and national leadership. According to this view, which was widely held among more senior shop stewards and union officials, having shop stewards promoted into management was a way of increasing the influence of NUM in all sections of power station management. The union's own policy in this regard, something that was regularly recounted by these leaders, was that there was 'no contradiction' in a shop steward being promoted into a position of management *per se*.

For example, I asked the full-time shop steward, Joe Skosana, about Xolani, one of the shop stewards on a branch executive that I had interviewed who had been promoted into a management position during my time researching. I enquired whether Xolani was still an NUM member and, somewhat surprised, Joe replied that he was still active and was still visiting the regional offices on a regular basis. He explained that this was part of a broader strategy on the part of NUM to recruit new members and retain existing ones from management positions. He explained:

> We have members who are very senior management, those who are even three job grades higher than Xolani. I think it's a policy of COSATU that we support managers being union members because then you have a manager who goes into the power station and he understands the workers issues and where we are coming from. So if you've got them there you can try to engage them in the forums.
> INTERVIEWER. It is strategic?
> You see that is what we think; you might be able to get the company to start implementing policies that are *biased* towards workers rather than trying to build from outside all of the time. It takes a lot to convince a company not to implement a policy that they agreed

> on if you are engaged only as an outsider. It is like the policy of the intelligence community – you plant your person in there, not to report everything back to you or anything but just to represent you in there as a mole. (Personal communication with Joe Skosana, 21 April 2009, original emphasis.)

It short, it was argued that the union's relationship with Eskom should not, and could not, be characterised simply by antagonism alone. What this reflects is the wider strategy taken by COSATU and its affiliates in the post-apartheid period. Instead of readopting a militant strategy of resistance towards management or the ANC government, trade union strategy instead appears to be focused primarily on seeking reformist accommodations with management through a combination of continued mobilisation and complementing this with new strategies of infiltrating management structures that were previously off limits to the unions and their members. This strategy appears to be aimed at navigating, as best they can, the contours of capitalism within the post-apartheid setting, rather than pursuing their radical overhaul.

However, there were some profoundly negative consequences of shop steward promotions. Several commentators have pointed to the sizeable 'brain drain' which COSATU experienced during and after the political transition as its national leaders took up high-level positions in the ANC, the government or in business (Buhlungu 2006a, p. 12, Wood 2001). At the workplace level, the promotion of shop stewards into management positions has been regarded as a potential threat to collective solidarity and organisational strength in South Africa (Harcourt and Wood 2003, p. 96). Indeed, the process of shop stewards being promoted into positions of management is usually treated as a 'problem' for the unions, one which undermines their working-class ethos, bonds of solidarity, and practically incapacitates the union through the flight of vital skills into management positions (NALEDI 2006, p. 29, see also Buhlungu 2002, Bramble 2003, Von Holdt 2002, 2003).

At a local and a national level it was felt that affirmative action, and the promotion of shop stewards in particular, had had some unintended negative consequences. Frans Baleni, the NUM's general secretary, remarked that this reflected one of the largest problems facing the union because they were now encountering senior managers – who had formerly been NUM members – that were more hostile towards the unions than their white counterparts because

> they have crossed the floor, and they are on the other side with management. For example the chief [wage] negotiator of Eskom was a branch chairperson of NUM. Now they tend to be more negative towards the union because they fear that they must be seen from management side to have really crossed the bridge, that they are not still linked with the union and so on and they become more difficult than the people who had no relationship with unions [before]. (Interview with Frans Baleni, 6 November 2007)

Such a perception was shared among ordinary members. Sizwe, for example, had worked in the power station for over 25 years, expressed how grateful he was to the union and what it had done for him. He said that in his 20 years as an NUM member he was very happy with the way it was organised and recognised what it had done for him saying that 'If they were not there maybe I could have been fired a long time ago' (Interview with Eskom worker, 20 December 2007). However, Sizwe was wary of what he perceived to be the 'biggest' problem facing the union at present, one that was seriously disempowering the union in an organisational sense. He, like many of his comrades, identified what he perceived to be the 'buying' or 'poaching' of the best shop stewards by management:

> The problem with the unions, what I can say is that the union must be very much clever to the management because they are trying to recruit some of those active guys you see. They must be very much careful of that because that's not good. They just say 'that guy's the best, let's take that guy to an HR [human resources] position then we are going to hammer the employees'. As I said the HR and the management they are forming a pact to get those strong guys to their side you see? If the union do not wake up they are going to be like Mathla power station where the union has just been demolished [by this]. (Interview with Eskom worker, 20 December 2007)

Such a strategy might not be surprising, considering that trade unions around the world have encountered the dangers of their shop stewards being lured into supervisory or management roles, which Beynon describes as the 'oldest trick in the book' and as a management method of dividing shop stewards' loyalties (quoted in Webster 2001, p. 206). Therefore, while workers were not necessarily resentful of their shop stewards having ambitions, many workers were nonetheless resentful and hostile to those shop stewards that were seen to have 'forgotten their roots' and been 'turned against us'. A further problem that shop steward promotions raised, however, was that this phenomenon was seen to be symptomatic of a broader change in the culture of trade union leadership. It is to this that I will turn to now.

## A new culture of union leadership?

It was often said that shop stewards who were promoted into management would not 'look after' the workers they represented because they were motivated by self-preservation. As one worker explained, union positions had now been reduced to being

> a career ladder. These people want to be shop steward because they are looking at their own future. I'm not saying that I disagree with people who are shop stewards that they must not be promoted but these people are wanting to be a shop steward because they know when you are a shop steward management can give you *any* position so that you can stop talking too much or what what. (Interview with Eskom worker, 12 December 2007)

It was often said that becoming a shop steward was for many skilled workers, a means of getting 'in the eyes' of management to secure a promotion, or as a means of building up leadership credentials. Some of the older members were particularly resentful of what they perceived to be a careerist culture among younger, upwardly mobile union members who did not understand the 'true' ethos of the union and were not adequately representing the 'older guys'. Matsimela, for example, who had been a member of the union for over 20 years, argued that 'the younger shop stewards are there [in the position] for their gains. They don't go to the interest of older people like myself' (Interview with Eskom worker, 10 December 2007). In a similar vein, Baruti, who was on the branch committee at Arnot power station, and who was a long-serving shop steward, said that this had been something he had witnessed over time, something that had been particularly bad with the younger generation of shop stewards. He said that it was having a negative impact on the union:

> Because it makes the members lose trust in the unions because you go there and they can say that this person is just after his or her interests, he or she doesn't represent the members' interests. Because you can see someone who is an opportunist – he just wants to further his or her career – so that sort of makes the trust of the members go down. It actually kills the union. (Interview with Eskom worker, 20 December 2007)

Jacob, who is a technician, echoed this sentiment when he said that he felt this was undermining the standing of shop stewards in the eyes of him and his colleagues:

> The shop stewards are not good enough because now the shop steward he concentrates on the promotion you see? He just fights for his own terms, they don't worry about the workers all the time because if you've got a problem he's not there to solve the problem, he stays far away from you. Yes, they like it in management you see. Always they take sides with the management to get a promotion. That is our problem. (Interview with Eskom worker, 21 December 2007)

This was a cause for great concern among workers and some union leaders alike who identified what they believed to be a marked break from the past when the NUM had been the 'union of strikes' during the apartheid era, when its leaders had risked their jobs and, indeed, their own safety, by becoming a shop steward or official within the NUM. This shift in the culture of leadership was therefore framed in terms of a move away from selfless 'comradely' leadership demonstrated during the apartheid era towards self-preservation. Such attitudes were also evident among NUM's leaders. For example, Job Matsepe, a veteran unionist and now the national organiser for the NUM in Eskom, publicly berated what he perceived to be a new generation of shop stewards who were 'in it for themselves' at NUM gatherings. He made the distinction between what he referred to as the 'true leaders' of the past and the 'younger generation' of shop stewards who were 'destroying' the movement. At one shop stewards' council meeting, for example, he described, in somewhat evangelical tones, being a leader as 'a call', and he decried shop stewards who, he alleged, would attend wage negotiations, conferences or NUM gatherings but were more concerned with the perks associated with such activity than 'fighting for workers'. He said they would complain 'because management did not put them in the hotels they wanted' or that they were overly concerned with getting the money for transport and car rentals rather than the task in hand. He rounded on the shop stewards present at the national shop stewards' council with the stark warning:

> As a leader you are elected to lead. . .. If you don't want to work for the organisation then take your jacket and leave. . .. The honeymoon is over. (Observations at Eskom National Shop Steward's Council, 7 March 2008)

When I asked him about this in an interview, he explained the reasons he was so passionate:

> You see the challenge that we are facing today's leadership is that the struggles of the workers are no longer like what they used to be in the past right? For heaven's sake in the past we have elected *true* leaders but today people just get into positions because they want to climb ladders. A person is elected and then from there within six months or seven months he's a manager. We lack *true leaders.* (Interview with Job Matsepe, 25 April 2008)

This reflected a broader problem that COSATU and its affiliates have faced in the post-apartheid period as union positions become attractive because of the perks associated with them and the potential for career advancement, whether in the union itself or in business or politics (Bramble 2003). Authors such as Buhlungu, for example, have discussed the rise of 'career' and 'entrepreneurial' unionists who have used their position in this way (Buhlungu 2002). Webster and Buhlungu argue that a by-product of this at a national and regional level has been the corruption of union structures similar to what was described by Job:

> In some cases it is simply a case of misuse of resources such as cell phones. However, in certain cases it has led to instances of serious corruption, while in others it arises from expenditure on lavish items such as expensive luxury cars, accommodation at five star hotels, and first class air travel. (Webster and Buhlungu 2004, p. 45)

According to academic studies of NUM (Bezuidenhout and Buhlungu 2007, p. 259, 2008, p. 272), and also NUM's leadership (Interviews with Oupa Komane, 20 November 2007 and Frans Baleni, 6 November 2007), although these forms of individualistic forms of leadership are contested within the union, they have nonetheless served to erode previous cultures of solidarity.

That union positions have increasingly been seen as a route to personal advancement should not be of any great surprise if we compare it with the manner in which other civil society organisations, political parties and government institutions have been transformed in the post-apartheid era. What can be said to have transpired in the NUM in Eskom, therefore, in many ways mirrors broader social change in South Africa as the opportunities available for enrichment through official structures of political parties and civil society distort the internal functioning of such organisations and distract them from their *raison d'être*. Indeed, the perception of a careerist, self-preserving leadership predominating within NUM's structures fuelled mistrust and suspicion between regular members and union leaders. For example, workers lamented what they perceived to be the unwillingness of NUM's leadership to overturn legal restrictions on their right to strike; an unwillingness that they frequently suggested owed to their leaders becoming too cosy with Eskom's management. This breakdown of trust between sections of NUM's membership and its leaders have been brought into focus at the national level in recent months amid a growing outbreak of wildcat strike action across the mining sector and the formation of a new union. The events surrounding the Lonmin mine massacre in particular could prove to be a watershed moment for NUM and have raised serious questions about a breakdown in support among workers for their union leadership. As I will now conclude, these trends have potentially broader implications for how we understand the social composition of South Africa's powerful trade unions and, as a result, their political prospects.

## Conclusion

John Radebe, NUM's full-time shop steward in Eskom for the Gauteng region, remarked that NUM had become a 'victim of our own victory' in the post-apartheid era (Interview with John Radebe, 14 May 2008). By this, John meant that while the union had been at the forefront of the campaign for employment equity and affirmative action policies to be introduced in Eskom, these had had unforeseen consequences for NUM's organisation. As Bezuidenhout and Buhlungu (2008, p. 274) have argued, mobility has become a 'double-edged sword' for the NUM which has severely tested the bonds of solidarity across its organisation and have eroded a unifying identity around which workers might be mobilised.

Labour analysts around the world have argued that if trade unions are to be politically reinvigorated and take their place at the forefront of struggles against neoliberalism then strong democratic organisation, worker participation and a 'solid class outlook' would be needed to forge a unifying mobilising identity that would form the basis of a radical SMU strategy (Moody 1997, Waterman 2001). The capacity for South Africa's unions to maintain their political power and influence will depend in large part on how effectively they can resolve the internal organisational dilemmas posed by the political and social upheavals of South Africa's 'double transition'. While numerous factors have contributed to organisational problems in NUM and other COSATU affiliates, this article has highlighted how social mobility has opened up divides within the union and eroded collective solidarities both among the rank and file and between them and their leadership.

These profound social changes pose difficulties to the unions but, it should be noted, their effects are neither inevitable nor irreversible. Although NUM's official response to these challenges is, at present, quite ambivalent and loosely articulated, the increasing heterogeneity of its membership could be harnessed by NUM (and other COSATU unions) as a source of strength that could reinvigorate the unions' organisation and broaden their political appeal in the longer term. This, however, would need a clearly articulated organisational strategy that ensures the increasing diversity of its rank and file is represented in union structures, particularly those closest to the shop floor, so as to make sure that workers of all skill levels, and particularly those in more precarious forms of employment, perceive the union to be representative of their interests. The issue of shop steward mobility and leadership needs to be tackled head on by paying closer attention to the attitudes of ordinary members: an ambivalent 'business as usual' approach to these dynamics would appear to be eroding the organisational identity of the union while yielding ambiguous strategic benefits for NUM and its members. Developing clear, unambiguous measures to tackle this issue in consultation with members would go some way to ameliorating the fallout these issues have caused. This need not be an either/or choice between continuing to mobilise members in higher job grades and revoking their memberships, but it would require targeted strategies aimed at protecting the integrity of the union's leadership structures.

These are clearly tentative suggestions. What can be said with greater degree of certainty is, however, that if COSATU and its affiliates are unable or unwilling to tackle the dilemmas posed by what Karl Von Holdt (2003) has highlighted as the profound 'transition from below' in the post-apartheid workplace, they could unwittingly find themselves becoming, as John Radebe argued, the victim of their own victory; consumed with internal struggles rather than taking a place at the forefront of struggles over workplace transformation and the country's social and political future.

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## Notes

1. This article is based on qualitative research conducted over an 18-month period, which included in-depth interviews with rank-and-file members of the National Union of Mineworkers (NUM), their shop stewards, local branch committee members, and both regional and national leaders. Participant observation in union meetings, shop stewards' councils, shop steward training/education workshops, wage negotiations and local ANC branch meetings was used to supplement these interviews in order to contribute a more detailed understanding of NUM's organisation and how its members engaged both within its own structures and those of the ANC.
2. For example, many unskilled workers would describe a situation of struggling simply to get by, while, on the other hand, their more skilled counterparts would often complain of difficulties in paying for cars and other 'status' items such as clothing and electrical goods.
3. The reasons for this are complex. One noticeable influence on these perceptions has been the manner in which Eskom has increasingly 'outsourced' the 'non-core' functions performed by workers in the power stations to independent 'contractors'. According to NUM officials, this means that Eskom is hiring far fewer manual workers (or 'labourers') directly and those that are hired are less likely to be unionised. Hence it is often seen that the vast majority of younger workers entering into the workplace and who become members of the union are skilled and well-educated workers.
4. Although Bezuidenhout and Buhlungu's (2007, p. 251) study of wage levels across NUM suggests that energy workers are actually comfortably better off than their comrades in other sectors.

5. It was sometimes said that 'these young ladies' or 'the young wives' should not be coming into the workforce and telling the older male workers what to do because it was considered 'disrespectful'.
6. Although in general they were seen to be less involved, there were some notable exceptions. Some of the more senior shop stewards argued that this was because they had received the correct 'political education' and therefore 'understood' the union properly (Interview with Joe Skosana, 16 May 2008).
7. The '1976 youth' is refers to what is recounted by union members – and in South African literature more broadly – as the younger generation of activists that emerged on the political scene following the Soweto uprising of 1976.
8. NUM has a purpose-built facility in Johannesburg – the Elijah Barayi Memorial Training Centre – which offers education and training to shop stewards and leaders ranging from 'political education' through to the basics of employment law, negotiation tactics and the basics of employee representation and case work.
9. Indeed, those shop stewards that I was in contact with who were promoted said that they would stand for re-election. NUM regional chairperson, Piet Matosa, for example, was continuously elected into positions within the union despite formerly occupying a position in the mining company which he described as being 'practically management'.

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# Assessing South Africa's New Growth Path: framework for change?[1]

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The New Growth Path (NGP) is the symbolic policy document of South Africa's newly formed Department of Economic Development. It marks an intended break with the growth path of the first two decades of the post-apartheid era. But does it do so in principle and is it likely to do so in practice? This paper suggests otherwise because of its failure to address, let alone remedy, the key determining features of the post-apartheid economic landscape. These are the (international) financialisation of (domestic) conglomerate capital especially associated with (illegal) capital flight, the complicity of a newly formed black elite, and the continuing reliance upon how these interact with South Africa's longstanding minerals–energy complex (MEC). Without breaking with these features, the NGP in particular, and policy more generally, will seek to temper the gains and organisational opposition of better-off workers for putative benefits to those deprived of employment and basic levels of public provision.

**Keywords:** New Growth Path; financialisation; minerals–energy complex; South Africa

[Évaluer la nouvelle direction de croissance d'Afrique du Sud : cadre pour le changement?] La nouvelle ligne de croissance (NGP) est le document de la politique symbolique du nouveau ministère sud-africain de développement économique. Il marque une pause prévue avec la ligne de la croissance des deux premières décennies survenues après l'ère de l'apartheid. Mais est-ce que cela se confirme dans le principe et dans la pratique? Ce document suggère le contraire, à cause de son incapacité à répondre - sans parler de remède – aux principales caractéristiques qui déterminent le paysage économique de la période après l'apartheid. Il s'agit de la financiarisation (internationale) du capital conglomérat (domestique), en particulier associée à la fuite (illégale) des capitaux, la complicité d'une élite noire nouvellement constituée, et d'un appui persistant sur la façon dont ceux-ci interagissent avec le complexe de longue date des minéraux d'énergie de l'Afrique du Sud. Sans rompre avec ces caractéristiques, la NGP en particulier, et plus généralement la politique, cherchera à tempérer les gains et l'opposition de l'organisation des travailleurs plus aisés pour des avantages supposés aux personnes privées d'emploi et les niveaux de base de la prestation publique.

**Mots-clés :** La Nouvelle trajectoire de croissance ; financiarisation ; complexe des minéraux d'énergie ; Afrique du Sud

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**Foreword**

The processes leading to the election of Jacob Zuma as President of South Africa in May 2009, were also associated with political realignments, government restructuring, and hopes amongst progressives that the new guard would build upon what is increasingly being interpreted as a successful political transformation as the foundation for an otherwise delayed economic transformation (see ANC policy discussion documents released in March 2012).[2] For government, its provision for a shift in the trajectory for the post-apartheid economy depends upon what are effectively two new departments created by the incoming Zuma government – the Department of Economic Planning and the National Planning Commission. However, the formation of these two departments reflects a compromise, rather than a break, between the old and the new regimes. For, within the Presidency, Trevor Manuel, erstwhile finance minister and the politician most closely associated with past economic policies, was appointed to head the National Planning Commission with responsibility for long-term strategy. In November 2011, the National Development Plan (NDP) was published by the Commission. It is critically assessed in Fine (2012a); see also Sender (2012). But, in parallel with the Planning Commission, Zuma also appointed Ebrahim Patel, former general secretary of the Southern African Clothing and Textiles Workers' Union (SACTWU) to the cabinet as Minister for Economic Development. Patel published his own strategy as the New Growth Path (NGP) in November 2010, a year ahead of the NDP but of which the latter takes little notice.

This should not be interpreted as a sign of irreconcilable conflicts swept under the carpet, and the NGP and NDP share more in common than they differ. What follows is a critique of the NGP, drafted in response to an informal request from the National Union of Metalworkers of South Africa (NUMSA) as soon as the NDP was made available to support the union in formulating its response to this important policy and political document. As is apparent, it is more a scholarly than an activist text offering some degree of analytical support for those understandably suspicious of the NGP as such and its likely impact in practice upon policy. The strengths and weaknesses (and omissions) of the NGP are highlighted by reference to South African realities pointing to what is not (yet) on the policy agenda that needs to be in view of the goal of propelling South Africa to the status of a BRICS developmental state, the new transformational goal that was initiated by the earlier Mbeki regime as it sought to retain credibility (Ashman *et al.* 2010a, 2013). In short, as things stand, even if progressives win on the basis of the policy document conflict, if such there is between NGP and NDP, it will be at most a pyrrhic victory if not taken much further beyond the policy pressure points, processes and interests that inform the NGP.

This stance highlights and reflects the need to contextualise the NGP in the continuing if now almost two decades of transition from apartheid (for which there is sufficient time elapsed to consider conditions as being reproduced and not simply inherited from an oppressive past). First observe, though, that policy documents come and go, and thick and fast, in South Africa. They surely, even primarily, serve as occasional smokescreens around policies adopted in practice and the underlying realities that influence them and to which they respond. Thus, whilst the plan for Growth, Employment and Redistribution (GEAR) admittedly signalled a neoliberal turn when adopted in 1996, and was apparently motivated by the wish to attract foreign direct investment and to calm the (international) 'markets',[3] its main role has been to allow for capital outflow by domestic conglomerates on an unprecedented scale with minimal inward direct investment by way of compensation, vital issues which tend to be overlooked in policy documents and debates (see below).

Second, GEAR has then been so readily and correctly recognised to have been a neoliberal turn, whether to serve the international markets or traditional white capital, that any subsequent policy reform has inevitably been seen as a reaction against it, not least with the dramatic political events associated with the ascendancy of Zuma. But, as is at least implicitly revealed in the following critique of the NGP, perceiving policy along a continuum of more or less neoliberalism (or more or less developmental state for that matter) is simply misleading if not wrong. For the last two decades are better seen in terms of the following factors: international restructuring of South African capital (both inward and outward) in general; its financialisation (see below) in particular; the creation and strengthening of a black elite on this basis and through favourable relations, occasionally corrupt, with the state; and control of alternative forces for progressive change at the expense of minimal concessions (of which Mbeki to Zuma and from GEAR ultimately to NGP and NDP are symbolic). This is all especially so if set against the continuing social and economic inequalities and massive levels of unemployment characteristic of the post-apartheid period (Marais 2011).[4]

Indeed, the relative dismantling and marginalisation of the progressive forces that brought down the apartheid regime would be the most striking aspect of the post-apartheid period were it not for the restructuring of international and domestic capital, in and out of South Africa, and its associated spawning of a new black elite that is far from developmental. Further, these developments have been so prominent that even the collective interests involved have fallen foul of the policy processes underpinning, or accommodating them, as signalled by electricity power cuts for example, where the troika of privatisation, black economic empowerment, and interdepartmental coordination across government (other than under the thumb of finance) has failed to gel. More generally, prospects for a developmental state are laughable unless domestic levels of investment double, something that simply cannot occur unless finance is taken in hand – not simply a policy prescription but a total reversal of the economic and political dynamics underpinning the post-apartheid period and the corresponding interests that they have come to serve.

Third, nor is this depressing narrative a simple tale of the triumph of (international) markets over progressive alternatives, nor the ebb and flow of the delicate balance of a coalition of elite interests against those of a majority struggling for alternatives. The abiding tragedy of the South African transition albeit with its own peculiarities, as more generally revealed by the global crisis, is the extent to which the dysfunctions of capitalism in the era of financialisation have been to intensify social and economic inequalities, not least through low levels of investment, employment and social provision. As revealed now in Europe in dramatic terms, fiscal deficits go hand-in-hand with democratic deficits, against which policy documents such as the NGP in South Africa merely represent the tilting at windmills.

In what follows, the first section highlights how the NGP is framed around ambitious and commendable targets but only insofar as they are accommodated by trade-offs offered by the better paid and organised sections of the working class (with no guarantees of feasibility or delivery in return for their sacrifices and co-operation). The next sections questions whether such trade-offs are necessary once account is taken of the ways in which policy has been complicit with, or has even promoted, the key economic dynamic of the post-apartheid period, namely the (international) financialisation of its conglomerates with a particularly severe drain of resources in the form of (illegal) capital flight. The next two sections reveal the limitations of the NGP by reference to the experiences of China and developmental states. This is followed by a discussion that highlights how a number of the more detailed policies to be found in the NGP are limited, compromised and/or flawed, not least for failure to challenge, let alone take account of, the previously identified determinants of South African economic performance. The concluding remarks suggest that policy practice, let alone proposals, will have to progress far beyond, and different from the NGP if progressive change is to be achieved.

## New Growth Path for old?

There is much to commend the framework underpinning the NGP in terms of its objectives. First and foremost is to acknowledge the need for a break with the old growth path although there remain doubts to some extent over how the old is conceived and how the new breaks with it both in trajectory and driving force.

Second is the emphasis on addressing decent work, poverty, labour absorption, a social wage, and a greener economy. It is far from clear, however, that in its goals the NGP represents either much of a break with the old growth path (as opposed to its achievements) or offers more than the buzzwords and fuzzwords of developmental discourse.[5] After all, the NGP could hardly explicitly seek to worsen working conditions, poverty, labour absorption, the social wage, and the environment, and hope to get away with it in contemporary South Africa! Significantly, where the NGP is explicit in projecting pain rather than gain is in its clear intention of moderating wage settlements of those earning between ZAR3000 and ZAR20,000 per month (p. 26). The presumption is that this will allow other objectives to be met, but how (by what mechanisms) and how much (employment, social wage, poverty alleviation, etc.) is left somewhat vague although it is advised 'it requires some sacrifice from union members … the New Growth Path must ensure that economic and social policies demonstrably reward any sacrifice by members with real gains for the working class as a whole' (p. 29). How is this to be done let alone demonstrated?

Unfortunately, this stance exhibits some considerable affinity with the old growth path, at least as far as the pain of union members is concerned, even if sugared by the promise of gain for others. The implication is that too high levels of (higher) wages are a significant burden on the economy in terms of employment generated and space for fiscal expansion. It is precisely such analytics that the NGP might have been expected to abandon without thereby degenerating into fiscal irresponsibility, although the latter will be charged whatever minor or major breaks are proposed from the dictates of sound finance and reliance on market forces. To put this another way, whenever there is unemployment of whatever level, there will be those who argue it can be ameliorated by reducing labour costs. To whatever degree this is true, and it is clearly affected by a myriad of other, arguably much more important macro and micro determinants of employment, it does not begin to get to grips with the massive unemployment characteristic of South Africa that does not derive from the wage levels of unionised and better paid workers. That this assumes some prominence in the NGP might be a compromise aimed at reassuring and incorporating business into social partnership. But as the framework itself observes that the country's profit share is high and has been increasing (p. 3), this would hardly seem to be necessary, effective or, to put it bluntly as the main effect of wage restraint, desirable.

Third, welcome within the framework is the identification of some key features of the old growth path, not least dependence on the minerals value chain (but without mentioning the minerals–energy complex – see below), the misuse of commodity-based revenues, the undue dependence on short-run capital inflows, backlogs and bottlenecks in infrastructure, and monopoly pricing in key sectors. Addressing why these should have occurred and, correspondingly, how they will be remedied, remains weak other than through guilt by association with the past as opposed to the promise of the future. Indicatively, we are told that 150,000 new security guards emerged between 2002 and 2008 (one in 14 of new jobs); that the top 10% of households capture 40% of income (p. 5); and that the share of profits rose from 40% to 45% between 1994 and 2009 (with a corresponding fall in share of wages). Good points but so what? Analytical leverage in embarking upon a new growth path requires a close and convincing account of what factors have given rise to such negative outcomes, and are measures prospectively in hand sufficient to tackle them in the future.

Nor is this simply a matter of the right and new policies but of a shift in the balance of economic, political and ideological power, and its appropriate representation through policy. This is explicitly targeted, if not in these terms, by the NGP, and is the context within which to locate the NGP's appeal to social dialogue and partnership, over and above its intent to moderate higher wage increases. The framework recognises that its success depends upon participation with, no doubt, an eye to the resentment of the previously imposed and non-negotiable GEAR: 'In South Africa, no technocratic solution – if it existed – could be imposed from above. We must develop this New Growth Path in conditions of active, noisy democracy' (p. 30).[6] Yet, it is precisely such 'noisy democracy' that has characterised the old growth path, and the framework offers little or no explanation for why this has failed to deliver in the past. The one exception, to belabour the point, is to suggest the need to moderate wage increases of better-paid workers. Whilst some token sacrifices are also required of capital and their managers, this reworking of social dialogue and partnership, as with unemployment, is at most token and fails to confront how it will depart from the old growth path in terms of shifts in the balance of power and its representation in policy to achieve stated goals.

Indeed, the NGP might have acknowledged that it is labour and progressive noise in opposition to the old growth path that has allowed the new to emerge. But of equal significance to noisy democracy is the silent, undemocratic, even illegal manoeuvres of capital to which I now turn.

## From tradeoffs to capital flight

Despite then, the NGP's partial virtues and strengths, there are arguably significantly deeper weaknesses and even inconsistencies in the framework.[7] The most immediate and striking is the starting point that, 'achieving the New Growth Path requires that we address key *tradeoffs*' (p. 2; emphasis added). These trade-offs are then listed as between 'present consumption and future growth', across 'infrastructure, skills and other interventions', between high benefits and risks,[8] a strong rand and competitiveness, and 'the present costs and future benefits of a green economy'.

Now trade-offs, or zero-sum outcomes in other parlance, are only necessary when the economy is working at full capacity. This is evidently not the case in South Africa, as indeed is highlighted by the NGP's account and targeting of unemployment. Further, immediately before listing these putative trade-offs, attention is drawn to the need to address inefficiencies and constraints, each of which has the potential to substitute positive for zero-sum outcomes. Indeed, this might be thought, at least in principle, to be one of the first calls upon policy.

Of course, it is symbolic of Keynesianism that, in the context of mass (and for South Africa, also chronic) unemployment, attention to trade-offs as opposed to trade-ups as it were, is liable to be self-defeating. Moreover, emphasis on trade-offs is equally more deeply symbolic both of neoliberal policymaking in general and the old growth path(s) in particular, raising doubts over how seriously a break has been made (a theme that will recur here).

Further, the rhetoric of trade-offs is also indicative of an unfortunate, if inconsistent, approach to labour as expendable if not expended. For the inspiration for the trade-offs revolves around the availability of non-labour resources and how they are deployed – we have to have trade-offs because we only have limited resources (*other* than labour). Here, though, there is one crucial oversight that has been so commonplace in practice, and yet overlooked to the point of almost absolute neglect, that it can only best be described as the elephant in the room. This is the issue of capital flight. For South Africa, it is and has been on an unprecedented scale, much of it totally illegal (and managed by large-scale corporations through transfer pricing – declaring value of exports from South Africa at a lower price than charged to importing countries).[9] Illegal capital flight was certainly extensive during the apartheid period but it has attained new and dramatic heights subsequently, exceeding 20% of gross domestic product (GDP) in its peak year in 2007.

Unfortunately, far from addressing this problem, the record of post-apartheid governments has been at best to turn a blind eye, and at worst to facilitate it, as illegal capital flight has increasingly been legalised with a programme of relaxation of exchange controls. Recent developments indicate that this syndrome of ignoring the elephant is at last being rectified, but only in the most perverse of ways. Government only a year ago announced its intention to grant an amnesty for illegal capital flight upon payment of a 10% penalty, as a step towards removing all exchange controls. This is akin to recognising the elephant in the room by tolerating its presence despite the enormous (policy) space it occupies or precludes. The South African Reserve Bank and the Treasury have been little short of scandalous in their failure to report upon and, one must suspect, pursue illegal capital flight, let alone take into account what impact it has had upon the economy. There has been little or no investigation of its incidence or the likely effect of the proposed amnesty (who would declare, and why, with an amnesty around the corner and no apparent investigation, and so on, and what about tax that has been failed to be paid). As far as these two lax guardians of sound finance and austerity are concerned, it is as if capital flight does not exist and, if it does, that it is best to work around it.[10]

In short, whilst the NGP calls for 'systemic changes to mobilise domestic investment around activities that can create sustainable employment' (p. 1), it overlooks the single

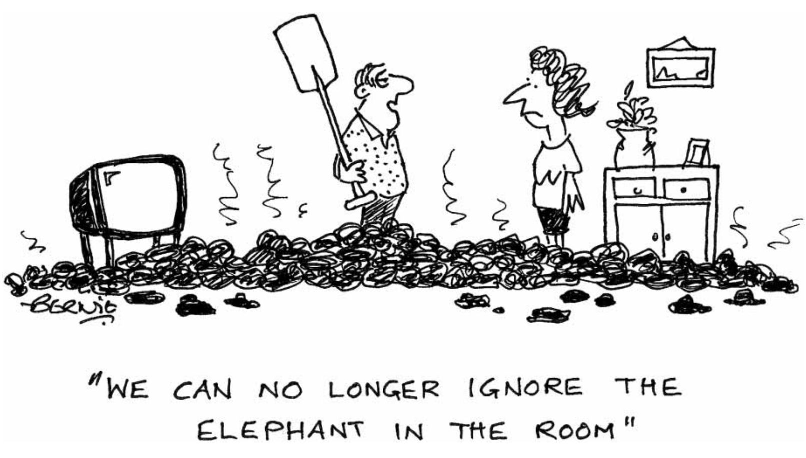


Figure 1.

most important proximate factor that needs to be addressed in order to achieve this goal (as well as failing to offer any analysis of why South Africa's long-term record is one of chronic underinvestment and how this will be remedied). Nor is this simply a matter of lost resources (that might be compared with the savings from moderating wage increases). For capital flight also squeezes the frontiers along which putative policy trade-offs are made. And it is only when we get beyond its squeeze (and that of financialisation more generally – see below) that policies can be more fully engaged that not only mobilise investment but also in the appropriate activities. Thus, the trade-off that the NGP should have targeted is between capital flight and the capacity for policy, not between policies with capital flight taken for granted or, it might be added, even condoned.

## Financialisation meets the MEC

Now, neither the effects of capital flight outlined above *nor* their causes spring from nowhere, alongside the other challenges posed for the post-apartheid economy. This crucial, even decisive, and certainly symbolic, aspect of the South African economy is the product and interaction of both global and domestic forces. At the global level, as starkly revealed by the current crisis, the world economy has been subject to what has been termed 'financialisation'.[11] In brief, financialisation has involved the phenomenal expansion of financial assets relative to real activity (by three times over the last 30 years); the proliferation of types of assets, from derivatives through to futures markets with a corresponding explosion of acronyms; the absolute and relative expansion of speculative as opposed to or at the expense of real investment; a shift in the balance of productive to financial imperatives within the private sector whether financial or not; increasing inequality in income arising out of weight of financial rewards; consumer-led booms based on credit; the penetration of finance into ever more areas of economic and social life such as pensions, education, health, and provision of economic and social infrastructure; the emergence of a neoliberal culture of reliance upon markets and private capital and corresponding anti-statism despite the extent to which the rewards to private finance have in part derived from state finance itself.

However we understand financialisation, its consequences have been reductions in overall levels and efficacy of real investment as financial instruments and activities expand at its expense even if excessive investment does take place in particular sectors at particular times (as with the dotcom bubble of a decade ago); prioritising shareholder value, or financial worth, over other economic and social values; pushing of policies towards conservatism and commercialisation in all respects; extending influence of finance more broadly, both directly and indirectly, over economic *and* social policy; placing more aspects of economic and social life at the risk of volatility from financial instability and, conversely, placing the economy and social life at risk of crisis from triggers within particular markets (as with the food and energy crises that preceded the financial crisis). Whilst, then, financialisation is a single word, it is attached to a wide variety of different forms and effects of finance even if with the United States and the United Kingdom to the fore and other economies, such as Greece, subject to the severest of adjustments.

To some degree, financialisation (not the old growth path) is the key to understanding the malaise of South African economy and society, once wedded to an understanding of it as historically and currently dominated by the minerals–energy complex (MEC). What is this MEC, recognised at most in a token fashion in the New Growth Path by reference to 'dependence on the minerals value chain [and] ... Weaknesses in the state's use of commodity-based revenue for economic diversification and skills development' (p. 5)? It is the specifically South African system of accumulation that has been centred on core sectors around, but more wide-ranging than, mining and energy, evolving with a character and dynamic of its own that has shifted over time. Its history and consequences can be traced back to the emergence of mining in the 1870s through to the present day. In the inter-war and immediate post-war period, core MEC sectors drove the economy, furnishing a surplus for the protection and growth and, ultimately, incorporation of Afrikaner capital. State corporations in electricity, steel, transport and so on, represented an accommodation across the economic power of the mining conglomerates and the political power of the Afrikaners, an uneasy compromise of evolving fractions of classes and their interests forged through both state and market. The apartheid labour systems were less an accommodation than a common bond across capitals and against labour. But the divisions between Afrikaner and mining capitals precluded a more general strategy of industrial diversification out of core MEC sectors, leading to a partial vacuum in intermediate and capital goods capability, a failure to accrue economies of scale and scope other than in core MEC sectors, and an inefficient consumer goods industry surviving by protection upon demand.

But, by the 1970s, Afrikaner and mining-related capital had been sufficiently integrated for a common economic strategy to be adopted, as had always been the case for labour systems. However, with the collapse of the post-war boom and the Bretton Woods system based on gold at US$35 per ounce, and the sharp rise in oil and energy prices, a huge premium attached to both gold and energy. As a result, an industrial strategy for diversification was scarcely considered let alone adopted. Instead, the 1970s witnessed an extraordinary state-led expansion of gold and energy production. Into the 1980s, the crisis of apartheid also precluded a state and/or private strategy for industrial promotion. But, whilst the core MEC industries remained central to the economy, capital controls meant that profits generated internally that were not illegally transferred abroad (see below) were confined to accumulation within the South African economy itself. This gave rise both to further conglomeration across the economy but, first and foremost, to the expansion of a huge and sophisticated financial system as cause and consequence of the internationally confined, but domestically spread, reach of the South African conglomerates with Anglo American in the lead.

The MEC is the system of accumulation that was inherited by post-apartheid South Africa, and it has survived more or less intact over the post-apartheid period. This is not to say it has remained unchanged, quite the opposite, just as it has experienced significant change in the past. Unfortunately, those changes have, however, reflected the extent to which South Africa is the exact opposite of a development state (see below) and has been driven further away from being so.[12] In particular, the South African economy over the post-apartheid period has been driven by what might be termed a backlog in financialisation and globalisation that was inherited from the apartheid period. These have dominated both the low pace of domestic accumulation and the form and composition taken by the restructuring of the domestic economy. Whilst the MEC core sectors have strengthened, the fastest growing sector in the economy over the last 20 years has been finance and related services, now taking as much as 20% of GDP, although 40% of the population benefit from no financial services at all.

Now according to the efficient market hypothesis (itself a form of trade-off economics in the extreme), as far as those supporting financialisation are concerned, the role of financial markets is to provide for the efficient mobilisation and allocation of resources to investment. Has this been done by the South African financial system? Not at all, domestic levels of investment are running at half those generally acknowledged to be necessary for developmental state status. And where are all the resources going? Well, one answer has already been provided, they go into the financial sector itself. I exaggerate somewhat as, of course, some financial services are completely essential, like high-security protection of the rewards and properties of the most unequal society in the world (150,000 new jobs after all). But, effectively, far from adding 20% to GDP, financial services are *taking away* a quarter of GDP and cheekily suggesting that by doing so they *add* the equivalent to GDP.[13] Across the world, three times as many financial assets are now required to serve one unit of GDP than 30 years ago. If this were true of any other input, such as energy, steel, or whatever, we would be outraged. But finance gets away with it. And, as already mentioned, the South African situation is even more serious and disturbing because this financialisation is not only associated, as elsewhere, with exaggerated rewards to those working within finance, and conducive to credit-based levels of consumption based on speculation in housing markets, it has been accompanied by the most extreme levels of illegal capital flight.[14]

As a component part of globalisation and financialisation, capital flight places the (macro)economy on the cusp of instability, and this has had to be accommodated in South Africa, and has even driven, macroeconomic policy to serve its needs. The framework recognises this but in an elephantine way:

> A persistent balance-of-trade deficit funded with short-term capital inflows (essentially foreign investment in equities and in 2009/10 increasingly in interest-bearing assets), attracted largely by interest rates that were high by international standards. In effect, the country borrowed abroad to sustain government spending, investment and household consumption which remained heavily biased toward the well off. Both investment and domestic savings remained below the levels required for sustained growth. (p. 5)

This is all true but misses the main point. Interest rates have in effect been held high, whether intended or not, in order that short-term capital inflows (a source of volatility) can compensate for long-term (illegal) outflows. And the exchange rate has been held at a high level with the effect of making capital outflows worth more in foreign currency to those who benefit from them, whilst making it ever more difficult to sustain both the exchange rate and competitive economic growth. Indeed, it is not the case that short-term inflows, 'enabled the country to spend more than it earned' (p. 4). It allowed it to send abroad what it earned although, of course, 'the country' is a euphemism for a very few select companies and individuals.

This is of profound significance for the restructuring of domestic industry which has not been driven by the need to fill in the hollowed-out industrial structure inherited from apartheid, with its limited capacity to build upon the MEC core strengths and diversify through capital and intermediate to more competitive and higher quality consumption goods. Rather the conglomerate structure has been dismantled to create sectoral monopolies whose profitability depends upon high prices and not productivity increase, the very antithesis of the much needed three-high economy – high investment, high productivity and high wages. Again, this is acknowledged, if only weakly, in pointing to 'continued economic concentration in key sectors, permitting rent-seeking at the expense of consumers and industrial development' (p. 5). What has been, and remains, notably absent is the corresponding commitment to secure long-term finance for investment in labour-intensive domestic production to meet domestic consumption of basic needs, thereby creating jobs, alleviating unemployment and addressing the backlog of provision and inequality inherited from apartheid. Again, with token if significant exceptions, inequalities have strengthened post-apartheid.

Now it is against the accommodation of these various elephants in the room – financialisation, illegal capital flight, and the continuing imperatives of the MEC – that the hard trade-offs highlighted by the framework need to be assessed. For instance, it is claimed without further specification that, 'global economic turmoil has also opened up new policy space for developing economies to go beyond conventional policy prescriptions' (p. 4). If so, itself indisputable if balancing some minor concessions in the rhetoric of the Washington institutions in deference to neoliberalism's tarnished reputation and worsening economic conditions, South Africa is certainly not seizing that new policy space just as it did not seize or even test the space that was previously available (rather than warmly embracing its confines under the neoliberal GEAR). Moreover, cabinet has already rejected the idea of taxing short-term capital inflows (let me remind you that these underpin long-term capital outflows).[15] As previously indicated, the NGP proceeds oblivious to the proposed amnesty granted on capital flight and the corresponding intention to liberalise exchange controls completely.

**Lessons from China**...

This is exactly the opposite of the way in which China, for example, has been so successful over the past few decades. Its economic development has been primarily based on rapidly expanding *domestic* markets, complemented but not dominated by exports which are highly import-intensive. This has been accompanied by relatively rapid growth in labour productivity, contingent upon very high levels of investment and has given rise to increasing real wages and even the emergence of shortages for skilled labour. A full account of the processes involved is not necessary here but one to highlight is the staggering dependence of China upon banks for finance for industrial investment. It is proportionately roughly four times higher than for the United States, and at least double that of most other countries. This is, however, indicative of the *limited* extent of financialisation of the Chinese economy, since finance has derived primarily from state-owned banks that have been policy driven. Of course, this does not guarantee developmental success in the absence of other conditions but these are precisely what have been present in China where, nonetheless, development is fraught by the tensions associated with sustaining international competitiveness and domestic economic and social stability.

In short, though, the lessons to be learned from China for national developmentalism are, broadly and overgeneralising, in contemporary conditions, especially in the wake of the current crisis, that a corresponding positive role for the state depends upon: insulating the mobilisation and allocation of finance from financialisation in all of its forms (including illegal capital flight); the promotion of secure domestic provision of goods for domestic consumption especially as far as the meeting of basic needs and poverty alleviation are concerned; and a strong commitment to state provision of social and economic infrastructure attached to a 'developmental welfare state',[16] and targeted industrial (and other) strategies designed to expand employment and productivity in line with corresponding increases in wages.

Significantly, the framework only mentions China as a source of co-operative opportunity. This is an important factor but one-sided. More specifically, as far as China might serve as an enabling factor in the promotion of desirable developments elsewhere including South Africa, its size and diversity give rise to a complex mix of complementary opportunities *and* sources of competition. Inevitably, these are variously spread across different countries, at different stages of development, across different sectors, technological capabilities and levels of value-added, and corresponding position within global value chains/networks.

Across the literature more generally, the levels of uncertainty and unevenness involved are conducive to appeal to metaphor as China is variously understood as Engine, Conduit, or Steamroller as far as other economies are concerned, or is it a perpetrator of Flying Geese or of Sitting Ducks. Policy in South Africa will need to be much more extensive and refined if it is to escape its old growth path irrespective of its relations with China.

### ... To developmental state

And lessons will have to be learned from comparative experience, not least from China itself. The framework notably draws upon no comparative nor historical experience at all in identifying and justifying policies that might launch the NGP. The minor exception is the implicit, if token and obligatory, reference to South Africa as a developmental state with, presumably, some resonances with successes of the East Asian newly industrialised countries (NICs) and, possibly, beyond. There are, however, essentially only a couple of uses of the term. One is for it to coordinate and prioritise the state's efforts (p. 6). The other suggests that its role is 'to minimise costs for business' other than in making trade-offs for greener economy and equity (p. 28). This comes within an entire subsection on the developmental state which otherwise adds little other than that all state agencies should pull together. But, in order not to give the wrong impression, it is emphasised that, 'a developmental state is not simply hostage to market forces and vested interests. Through careful alliances, clear purpose and by leveraging its resource and regulatory capacity, it can align market outcomes with development needs' (p. 28). In other words, remarkably and unnecessarily, the developmental state would appear to be precisely conceived as a hostage to market forces and vested interests but, with a bit of leverage, may be induced to do something else as well.

This is not the place to go into debate over the strengths and weaknesses of the developmental state paradigm (DSP) in general, let alone whether South Africa comes anywhere near approaching conditions that might allow it to be defined as such – which it does not.[17] In the 1980s, the DSP successfully deployed the empirical experience of the East Asian NICs to display the profound weaknesses of the neoliberal Washington Consensus dogma and the essential role played by state intervention to bring about latecomer, catch-up industrialisation. In doing so, amongst its other limitations, the DSP placed undue emphasis upon the relations between (industrial) capital and the state at the expense of the role of labour (as well as welfare, democracy and other aspects of development other than industrial performance). Over the past decade, following a loss of popularity around the turn of the millennium, the DSP has enjoyed something of a revival. But, in doing so, it has been both diluted and indiscriminately spread in its application. Almost anything that the state does can now be perceived to be developmental, and claims as such can be made equally readily.

Lest we forget, and both reflecting and contributing to this revival, discourse around the developmental state in South Africa was the result of a failed attempt of the Mbeki regime in its death throes to restore some credibility to its old growth path and failing political popularity and credibility. Inevitably, its adoption for the NGP could hardly be faithful to the earlier version associated with the East Asian NICs, of excluding labour, social dialogue, welfare and so on. And, as observed, the revived DSP readily allows for these to be added on in superficial and token ways. In effect, the NGP accepts the necessity of incorporating labour into its developmental state but, essentially, in order to ensure it is complicit with the sacrifices it will have to make (as opposed to them being imposed as is often supposed of the authoritarian East Asian NICs).

**Twixt politics and policies**

Thus, what is striking in the framework's use of the developmental state is the shallowness in the politics of what is involved. The first reference to the developmental state is immediately followed by an appeal to 'effective social dialogue that . . . facilitates the necessary tradeoffs and sacrifices' (p. 6). It is complemented by four references to 'social capital', including this as a 'job driver'. Once again, this is entirely without substance and serves more of a marker, intended or not, of worthy intentions rather than of addressing the evolving structures of power and privilege within South Africa. Having written two books ripping the notion of social capital to shreds, I can hardly be expected to be sympathetic to it (Fine 2001 and 2010c). Again, this is not the place to rehearse my concerns other than to observe that social capital has served to raise self-help from the individual to the level of the collective (thereby for collectives to be blamed for their own condition for not helping themselves), has never been shown to contribute to policymaking (other than as an ideological support to the predetermined), and has studiously ignored the 'social capital' of the rich, privileged and powerful (those taking their capital out of the country whilst courting the complicity of a new black elite, the so-called bridging social capital of new and old wealth to which we should be paying much more critical attention than does the NGP).

In short, this is evidence of little or no determination to shift the politics from that of the old growth path, primarily relying upon private capital. For, mass unemployment in South Africa to the contrary, it is simply asserted that, 'In a *mixed economy*, private business is a *core driver* of jobs and economic growth' (p. 28; emphasis added). We clearly need a new core driver if this is the case. Significantly, the discourse around mixed economy immediately after the demise of apartheid was attached to a compromise with the private sector in which the role of the state would be expanded. What is now presumed to be the old growth path soon changed this. But both undue reliance upon, and misreading of, the South African private sector are retained by the NGP. For, whilst appeal is made to the participation and co-operation of the labour movement, it is always in terms of an accord in which it makes sacrifices even if, as remarked, 'with real gains for the working class as a whole' (p. 29). In this respect, there is an asymmetry relative to capital from which only limited sacrifice is called for although, in light of the severity of capital flight, its role is totally misjudged. For, even if it is accepted that 'business has its weaknesses', this is because, for the NGP, it 'has often been *reactive* and *inwardly* focussed'. Indeed, 'Too many business leaders have missed opportunities offered by the profound changes since 1994' (p. 29). On the contrary, business leaders have been extraordinarily *strong* not weak, *aggressive* not reactive, *outwardly* not inwardly focused, and have taken *full advantage of the opportunities offered* since 1994 – to take capital out of the country, to a large extent illegally!

Interestingly, then, unlike unions who are to make sacrifices for the common good because of the presumed need for trade-offs, the framework indicts business for (falsely identified) weaknesses, missed opportunities, and so on, with the implicit presumption that it need not make sacrifices, merely improve its performance at nobody's expense but to everybody's benefit. An obvious question is why did business not take these beneficial opportunities in the first place, and credibility is beginning to be stretched as soon as we also throw in how much business has benefitted over the post-apartheid period in terms of profitability, etc. Moreover, irrespective of egalitarian reasons for redistribution of income and wealth, even the mis-targeted indictments of business by the framework are sufficient to suggest that public ownership needs to be an essential component for rectifying these deficiencies. This is accepted for 'public' provision, such as health, education and much social and economic infrastructure, but needs to be extended beyond this, especially as business does not simply fail to take opportunities but positively campaigns and organises to prevent, even to circumscribe, the state from doing so as is so evident from negotiations for the transition from apartheid onwards.

Significantly, though, despite its high profile in current debate, the option of extending public ownership is not seriously addressed in the framework. This is not to suggest that nationalisation is an answer to all problems, or even the leading factor within policy. Rather, for each and every sector of the economy, assessment of policy must be accompanied by an equal assessment of why corresponding goals have not been delivered in the past and whether public ownership is necessary to overcome private business 'weaknesses'.[18]

Nor are they liable to be troubled by the demands placed upon them in return for the government's efforts to 'moderate wage settlements' (p. 26). In this, the government is unlikely to be able to succeed over the long term in its intention, although it will condition, that is weaken, the strength and determination with which the labour movement will be able to engage in collective bargaining. Where it will definitely not succeed, and there is little evidence that it has given any thought on how to achieve them, is in the goals to 'moderate price increases' and 'to cap pay and bonuses for senior managers and executives earning over R550,000 per year'. To put it bluntly, if those earning this amount cannot find ways of getting around any (unspecified) mechanisms for imposing caps, they should not be in their jobs in the first place!

Now, as a framework, the NGP rarely addresses policy in detail. But after a short introduction as first section, and context setting as a second section, the third section, and the vast majority of the document, is dedicated to the New Growth Path itself.[19]As will be seen, it ranges far and wide but usually with a number of characteristics in common. First is the failure of the analyses and the proposals to draw in much way at all upon the peculiar circumstances of the South African economy, let alone those of a developing economy more generally seeking to undergo economic and social transformation. In short, irrespective of merits, with a few amendments in the wording, this document could be equally applicable to any other economy. Second, the merits of the discussion are few and far between and not simply for lack of attachment to the specificity of South Africa and its needs. For, it is not only the developmental state that appears as a buzzword in the NGP but a sack of others as well, with no acknowledgement of the critical thought and failed expectations to which they have been attached elsewhere in the world and, indeed, within South Africa itself. Third, this renders much of the discussion mundane, conservative, wrong, inconsistent, or arbitrary and, most important of all, with little purchase on how there is a breach with the old growth path and with the economic, social, political and institutional conditions that sustained it.

The specification of the NGP does open with a short discussion on sequencing the transition to a new growth path across three phases – the short, medium and long term. These are more motivated by uncritical orthodox economic theory than empirical realities about what can be changed in certain time frames and with what priorities and, as such, are essentially arbitrary. The casual appeal to orthodoxy is then continued by seeking to balance the NGP's supply-side emphasis against the role of demand, not least because in South Africa, 'the domestic market is relatively narrow due to the relatively small population, *low employment levels and deep inequalities*' (p. 8; emphasis added). The proposed remedy is to draw upon Southern African regional markets. The issue here is not whether this is desirable in and of itself (together with export success) but the total failure to recognise the solution to the problem that has already been identified in the way in which it has been posed. If low employment levels and deep inequalities are the source of low demand for domestic production, all three of these can be addressed together by expanding employment, reducing inequality, and expanding domestic demand!

Instead we are offered an extraordinary exploration of job creation through presentation of a graph of $xy = 3.5\%$ or so, where $x$ is the employment intensity of growth and $y$ is the rate of growth of GDP required to create 500,000 jobs per year. This is simply arithmetic with no analytical content whatsoever other than to suggest it is better to have a higher rate of growth and a higher intensity of employment if you want to increase employment. We are then offered five job drivers: infrastructure; main economic sectors; new economic developments; public services; and spatial development. Wish figures in terms of targets for employment creation are given but without much substance, and some of the rationale is troublesome. For example, 55% of a doubling of energy provision by 2030 is from renewables (albeit 25% from nuclear) implying, of course, 45% from non-renewables, presumably coal-fired. This does not do much for greening of the economy that is so heavily signalled elsewhere in the framework.

From job drivers, the NGP then shifts to yet another framework (beyond developmental state and job drivers), involving 'packages' for macroeconomics, microeconomics and social consensus (see above). The macroeconomics covers less than a page (p. 16), and makes the concession of a looser monetary policy but balanced by a tighter fiscal policy. Otherwise, it is difficult to discern anything that would distinguish it from the old growth path or trouble the International Monetary Fund (IMF). To reiterate, the macroeconomic package is one that fails to recognise the key issue of capital flight, and the corresponding impact this has had on both putative trade-offs and the levels of the exchange and interest rates. The macroeconomic package makes no reference to the levels of investment that need to be generated and how this will be achieved.

This is sheer speculation but the macroeconomic package might just as well have been written by Treasury, or have been deferential to its continuing concerns (and those of the old growth path). For the undoubted need for lower exchange and interest rates is hedged by concerns that the benefits of these will be squandered in higher wages (and prices) rather than improved performance. The lesson to be drawn here is of the need to get beyond this simple impasse of macro-constraining the micro, and to address the two together in terms of ensuring adequate levels of investment through total reform of the financial and banking system.

The microeconomic package, by contrast to the macro, is much more expansive and offers 10 programmes[20] and, interestingly, the goal of controlling inflationary pressures (p. 17). This is a welcome if unwitting recognition that the division between macroeconomics and microeconomics is unsustainable as inflation control surely belongs to macroeconomics. But I have something else in mind, that active industrial policy (Programme 1), rural development (Programme 2), labour market policies (Programme 7), and so on are both macro *and* micro simultaneously or, more exactly, dissolve the distinction between the two and should be considered on their own merits as specific sets of policies geared to bring about economic and social transformation. Each is of sufficient weight that it should not be considered micro, and each is of such significance that it should be integrated into an understanding of the workings of the economy (and society) as a whole.

There is much to commend, for example, the industrial policy that is being developed by the Department of Trade and Industry (DTI), and what is now its Industrial Policy Action Plan (IPAP3). I am more or less bound to say this as, without wishing to claim any credit, it parallels closely the approach of the policy document that I wrote for the Congress of South African Trade Unions (COSATU) some 15 years previously, emphasising the need both to address vertical, sectoral policies, and horizontal, strategic initiatives (Fine 1997). But, amongst other such systemic considerations, I placed considerable emphasis upon the mobilisation and allocation of finance for investment, for which the NGP does offer a limited programme – essentially insufficient ends without sufficient means, ranging over reorientation and strengthening of the funding potential from existing state corporations and financial institutions such as the Industrial Development Corporation (IDC), the Public Investment Corporation (PIC) and PostBank (p. 27). The point, however, is not that we have too little financial activity, but too much within the private sector, and it is this that must be redressed rather than its being complemented by state interventions in parallel to make up for its deficiencies.

Otherwise, there are some glaring inadequacies in the proposals. For competition policy (Programme 3), for example, there is a failure to take account of its inability to deal with the issues involved even if fully and effectively implemented. This was argued for steel in a paper drafted at much the same time as that on industrial policy (Fine 1998), and, of course, the government's problems with steel have subsequently worsened and revealed the limitations of its existing powers. Much the same has been exposed by the recent travails over the entrance of Walmart into South Africa to the apparent dissatisfaction of NGP Minister Patel. The simple point is that competition policy is liable to be insufficient in and of itself as a lever of industrial policy. It is at most a heavily contested barrier to what private capital might do; it does not positively address the necessary issues of policy around levels of investment, markets served, employment generated, technology deployed, etc.

Similarly, all the skills and training initiatives (Programme 4) in the world do nothing to improve outcomes in the absence of job creation. And reliance upon small- and medium-sized enterprises (SMEs) and microfinance (Programme 5) has surely long since passed its sell-by date given the voluminous critical literature in terms of how much it can deliver and what it delivers. Besides, the prospects for these depend much more on a vibrant economy than the other way about. Otherwise, there is a welcome recognition that broad-based black economic empowerment (BBBEE) (Programme 6) has been entirely unsatisfactory but no attempt to explain why this should have been so as both cause and symptom of South Africa's economic malaise. To put it in the vernacular, a new black elite has benefited from the processes of economic and social restructuring in a way that has been entirely parasitical and the exact antithesis of an aspiring indigenous, developmental bourgeoisie.

## Concluding remarks

The NGP framework is strong on good intentions and rhetoric but, at the end of the day, is sorely disappointing. I have pointed to one major elephant in the room which it ignores altogether (capital flight). This beast is a major factor in and of itself and as a symbol of the power of finance that needs to be overcome if any new type of growth path is to come onto the agenda. Even if we are not blind to this elephant, there is another one on which it stands, the MEC. This continues to drive the economy and underpins the symptoms that the NGP seeks to address. At least the framework recognises the role played by the MEC in dictating a high capital-intensive trajectory at the expense of employment creation for serving domestic needs, if not acknowledging the MEC as such itself. Instead, it offers a few imaginary elephants of its own around which it gingerly manoeuvres, most of which reflect a lack of critical thinking, a failure to engage with South African realities and, most worryingly of all, a discourse of consensus-cum-sacrifice within the working class, not least to be delivered by trade union members in particular to allow 'real gains for the working class as a whole' (p. 29). Surely the time has come when 'commitment to policies that support employment creation and equity' should be sought, if not demanded, from capital, even imposed upon it, rather than through the sacrifice of trade unionists? In this respect, careful reading of the framework from such a perspective reveals that its politics are addressed at the labour movement with the aim of incorporating its quiescence in return for programmes which ought to be delivered in any case and which are all the less likely to be delivered the more the labour movement trims its energies.

Of course, the NGP is but one policy document that sets the context within which policy will be debated, struggled over and, ultimately, implemented with or without intended outcomes being realised. And, equally, some might accept many or all of the criticisms levelled here, and more, and still see the NGP as a strategic step forward (over the old growth path) and the basis on which further progress might be built. Such postures can hardly be faulted for their optimism. Whether they represent realism is another matter. The more likely prospect is for a partially implemented and watered-down programme, with limited impact, growing dissent within the intended social dialogue and partnership, and business, unemployment, inequality and poverty continuing as unusual for post-apartheid economy and society that is so desperately in need of a genuinely new set of paths.

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## Notes

1. 'The New Growth Path: The framework', Economic Development Department, South Africa, 2010. Some of the arguments offered here are developed at greater length in the references listed. Thanks for comments on an earlier draft, especially from referees and editor, account of which was not always possible in view of a wish to retain the draft in its original form other than for minor corrections.
2. See http://www.anc.org.za/docs/discus/2012/.
3. See Handley (2005) including discussion on whether pressure from international markets needs to be overt and direct or is internalised by policymakers.
4. See also Bassett (2008) for the need for elite interests to be embedded in, or accommodating to, a broader hegemonic politics – but how broad, and deep, is a moot point.
5. See Cornwall and Eade (2010).
6. The text immediately continues, 'The deep inequalities that rend our society complicate efforts to reach consensus', a recognition perhaps that the rich and powerful will defend their privileges and that consensus will not be able to redress them?
7. It is necessary to be mindful that this is a framework and not a work of scholarship, and to be assessed as such. Nonetheless, the framework reflects analytical stances, however consciously, fully, and consistently, and is open to be assessed as such.
8. The term risk recurs throughout the document and is indicative of being sensitive to conservative and financial reaction as well as unwittingly symbolic of the supposed commodity, risk, that is traded in financial markets.
9. For a full account, see Ashman *et al.* (2011), a contribution based on submission in response to declaration of amnesty (see below).
10. Note also that, in my debate with the Harvard Group, it continues to fail to address this problem even though it could not be made more prominent in critique of them, (Fine 2009a, 2009b) and (Hausmann and Andrews 2009). See below for implications for macroeconomic policy.
11. For an overview of financialisation, see (Fine 2011b).
12. See (Freund 2011) for South Africa as a developmental state in the apartheid past.
13. There has been a subtle and unnoticed redefinition of GDP to include financial services where previously it was excluded. But what is provided in practice by financial services? The answer is

trading in risk, putatively redistributing it to those more willing to bear it (as opposed to the reality of creating it for those who cannot). See Christophers (2011).

14. The elephant of capital flight is also to be found across Africa as documented in a series of co-authored papers and, most recently, Ndikumana and Boyce (2011).
15. For a critique of the space being opened by the IMF in this regard, see Gallagher (2011).
16. See Fine (2012a) for some discussion of this, noting that it has only recently become more prominent in Chinese policymaking.
17. For my own (co-authored) contributions on this, see Ashman *et al.* (2010a, 2010b) and Fine (2004, 2006, 2007, 2008a, 2008b, 2010a, 2010b, 2011a), Fine and Stoneman (1996) and Fine and Rustomjee (1997).
18. See Bayliss and Fine (2008) for general arguments around water and electricity, and Kgara and Barsel (2010) for pharmaceuticals, for example.
19. A fourth section offers a cursory programme for implementation and is followed by an appendix with an outline for the five job drivers.
20. Those not mentioned in what follows are Programmes 8 (technology), 9 (trade) and 10 (Africa).

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# A hierarchy of struggles? The 'economic' and the 'political' in Egypt's revolution

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Egypt's revolutionary process is facing serious challenges, not least of which is the absence of a broadly based movement that can harness the energy of the masses. The forces of the counter-revolution are using all means to derail the process especially by effecting a schism between 'economic' and 'political' demands where the former is portrayed as extraneous to the course of the revolution. The article demonstrates how this separation in any struggle is falsely conceived and in the case of Egypt is being used as a deliberate tactic to protect the interests of the capitalist state and its agents.

**Keywords:** Egypt; protests; neoliberalism

[Une hiérarchie de lutte? L'aspect « économique » et « politique » dans la révolution égyptienne.] Le processus révolutionnaire d'Égypte est confronté à de sérieux défis, non des moindres est l'absence d'un vaste mouvement qui peut canaliser l'énergie des masses. Les forces de la contre-révolution utilisent tous les moyens pour déstabiliser le processus, notamment en effectuant un schisme entre les demandes « économique » et « politique », où l'ancien est dépeint comme étant étranger à la marche de la révolution. L'article montre comment cette séparation dans toute lutte est faussement conçue et dans le cas où l'Égypte est utilisée comme une tactique délibérée pour protéger les intérêts de l'État capitaliste et ses agents.

**Mots-clés :** Égypte ; manifestations ; néolibéralisme

While the downfall of Mubarak in February 2011 marked a momentous victory for the Egyptian people and the culmination of a decade-long struggle by disparate groups against the regime, the immediate aftermath has clearly shown that the main elements of the old regime are still well entrenched. However, finding themselves confronted with an undiminished revolutionary process, which still involves large sectors of the masses, those in power, the Supreme Council of the Military Forces (SCAF), the interim governments, the business elite, and the Islamist-dominated parliamentary majority and presidency, despite being engaged in a complex process of contestation over power amongst themselves, have all been making attempts to undermine and derail this process. As part of this campaign, they have increasingly been employing the tactic of driving a wedge and accentuating supposed differences between 'political' and 'economic' activisms. Through their control of legal and media institutions, they have set out to deepen this

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split in the minds of the people by portraying protests for 'economic' demands not only as extraneous to the course of the revolution but also as a threat to its success.

This article argues that an understanding of economic struggles as separate from, and even in contradistinction to, political struggle is falsely conceived. Assuming a hierarchy of demands where the 'economic' is portrayed as narrowly defined and less inclusionary on the one hand and reformist and less revolutionary than the 'political' on the other is historically and theoretically without base and only stands to serve the interests of the capitalist state and its agents. This understanding is born out of a narrow conception of the political and overlooks a theoretical tradition which demonstrates the interconnectedness of the two spheres, where from Marx to Polanyi the economic had always been theorised as embedded in the social and political in capitalist societies.

The article traces the history of this political/economic binary relationship through the decade leading up to January 2011 in order to illustrate how the different protests, directly and indirectly, were inextricably connected. The article further situates this historical episode within a framework which draws on Rosa Luxemburg whose work on the mass strike has recently found new currency in the aftermath of the 'Arab Spring' (Alexander 2012, Zemni *et al.* 2012). Most relevant to this article is her analysis of mass strikes during the Russian Revolution, where she challenges the compartmentalisation of different wings of the same struggle by demonstrating how 'political and economic strikes, mass strikes and partial strikes, demonstrative strikes and fighting strikes ... peaceful wage struggles and street massacres, barricade fighting – all ... run through one another, run side by side, cross one another, flow in and over one another' (1906, p. 46). Similarly, under the authoritarian regime of Mubarak, no struggle for any set of demands could remain confined within itself, but gave birth to and fuelled other struggles.

The article further investigates the significance of this political/economic dichotomy, amongst other factors, in explaining the inability of activists and groups of protestors to create a broadly-based coalition – a failing that continues to weaken their position as a collective force. While an intensification of networking, coordination and interchangeable membership between various activist groups was a feature of those working towards 'political' goals, these groups remained firmly separate from others fighting for 'economic' demands. This separation, the article argues, is not a contingent event, but, in the words of Laclau and Mouffe, is a 'structural effect of the capitalist state' (1985, p. 9) and, indeed, a mechanism for its survival.

## A tumultuous decade

Activist groups, with a touch of irony, selected 25 January 2011, the officially designated Police Day, as a 'day of anger' to demonstrate against police brutality and the regime's endorsement of police violence and torture of civilians. While the marches on that day ended in a most unexpected turn of events when millions occupied Tahrir Square and millions more demonstrated across the country for the next 18 days until the downfall of Mubarak, the event itself was only one of an endless series of protests, marches, occupations, sit-ins, rallies and other forms of contentious action which had dominated opposition politics for a whole decade. Since the outbreak of the second Palestinian intifada, which ignited street protests and demonstrations in support of the Palestinians in 2000, extra-parliamentary opposition politics have been transformed into a vibrant multifaceted activism that has marked a new era in Egyptian politics. The intensification of protests and flourishing of activist groups mobilised large swathes of Egyptians across different socio-economic groups, crossing rural–urban divides, creating cross-ideological coalitions and using new forms of loose organisational structures outside decayed traditional political organisations. The loose structure of protests, the interchangeable membership of different groups and movements, and the fluid and metamorphosing nature of the demands promoted by various groups make any attempt to classify these protests a difficult task. While some authors have classified the protests according to protestors' claims (Joya 2011) or mobilisation structures (El-Ghobashy 2011), this article adopts a three-pronged taxonomy of protests which favours emphasising the content of demands as well as their mobilisation structures. The pro-democracy movement, labour struggles and 'market-relations-based protests' mark the three spheres in which the battle against the regime was waged. The purpose of this typology is twofold; it shows that protests were multilayered, cutting across different social groups in society, while also exposing the basis of a falsely conceived dichotomy between groups organised around 'political' demands on one hand and those struggling to achieve supposedly 'non-political', economic demands on the other.

What has become known in academic literature as the pro-democracy movement refers to a loose network of activist groups, organised outside formal political institutions such as parties and official syndicates. The demands of these groups, especially those under the banner of *Kefaya*,[1] ranged from lifting the emergency law, freedom of elections and limiting presidential terms to achieving a complete, peaceful regime change. The pro-democracy movement brought together disparate groups of professionals, students, veteran political activists, youth wings of political parties and individuals from different backgrounds who exercised a high level of interchangeable membership between different organisations. Activists within the multiple groups forming the pro-democracy movement avoided hierarchical structures and rejected formal leadership, preferring temporary, flexible managing committees.

While the political system and its institutions were the main target of these groups' protest action, many professional groups such as Democratic Engineers, the March 9th Group for Academic Freedom, and Doctors without Rights to name but a few, were challenging the state within specific sectors by demanding freedom of civil association and the restructuring of the state–society relationship. For example, Democratic Engineers started from the assumption that 'unionisation is a major arm of achieving democracy' in the country as a whole and organised a campaign towards achieving the independence of the Engineers Syndicate after over a decade of legal guardianship by the state. Similarly, the March 9th Group for Academic Freedom fought a battle against the regime to bring an end to the flagrant role played by state security in academic affairs which ranged from manipulating student union elections to vetting guest lecturers and controlling all academic appointments (Hamdy 2011). In an even more surprising confrontation, in the aftermath of the 2005 parliamentary elections, the judiciary played an unprecedented role in Egypt's larger political opposition which was regarded by many as instrumental in re-energising the political scene in Egypt after a seeming lull in the fortunes of the pro-democracy movement (Browers 2009) and even as a potential spark for bringing down the Mubarak regime (Said 2006). The issue of torture and police brutality also mobilised large numbers of activists and sympathisers against regime repression. The Facebook group, 'We Are All Khaled Said', for example, was launched to protest the death of a young man in Alexandria at the hands of the police in 2010, an incident which became the symbol of police brutality and systematic torture. The group raised a campaign under the slogan 'No to Torture, No to the Emergency Law'. Thanks to its unique approach to protest and the completely non-political character of the victim, within a few weeks the group's webpage attracted almost 22,000 members (El-Hennawy 2010).

Post-1952 Egyptian regimes have suppressed workers through a policy mix of corporatism and violent repression, often aided by the highly co-opted Egyptian Trade Union

Federation (ETUF), established in 1957.[2] Despite systematic state oppression, workers have continued to fight for their rights. The fight intensified in the wake of the infamous Unified Labour Law of 2003 and the appointment of the pro-business Nazif government. The spark which mobilised over two million workers, including factory workers as well as white-collar workers, and their families, to participate in various forms of industrial action, came from the textile industry. Strikes, occupations and other protest activities quickly spread into various sectors including food processing, the oil industry, and transportation to name a few. The landmark strike of 24,000 workers of El-Mahalla al-Kubra Spinning and Weaving Company in 2006 opened the door for an avalanche of labour mobilisation. Only weeks after the outbreak of the El-Mahalla strike, workers in the Helwan Cement factory started an occupation followed by a hunger strike. They were followed in January 2007 by drivers of railway engines, the Shibin al-Kom Spinning and Weaving Company, and, in February by the massive 11,000 worker strike in the Kafr al-Dawwar Fine Spinning and Weaving Company. These confrontations have been occasionally successful in yielding some concrete results such as a threefold increase in salaries in some severely underpaid sectors (Clement 2009). Moreover, the threat of further labour protests forced the government to pre-empt them by granting better pay to workers in certain sectors or companies even without the workers asking for them (*ibid*., p. 113). While most of these protests raised demands for job security, salary increases and improved working conditions, some protests broached policy issues by demanding government re-acquisition of recently privatised factories and companies, investigating corrupt management staff and even questioning the World Bank privatisation programmes in general (Beinin 2009, p. 84). The intensification of labour strikes during the 18-day uprising was a final factor in tipping the balance against Mubarak.

While workers and the pro-democracy movement were confronting the state in a relatively organised, albeit loosely structured, fashion, more spontaneous, dispersed protests were sweeping the Egyptian streets by marginalised citizens who had lost any power to access or restructure market relations in their favour. These market-relations-based protests broke out in reaction to the state's failure to provide minimal services and goods such as health care, electricity, running water and affordable basic foodstuffs. Blocking roads, burning tyres, jamming entrances to government buildings and marching around in the streets became a daily practice by village and urban neighbourhood residents, housewives, small farmers, street vendors and shop owners. Market-relations-based protests have been prevalent in rural populations, especially among impoverished small peasants who wage struggles against state-backed policies of dispossession (Ayeb 2012, Bush 2012). None of these protestors regarded themselves as activists or as involved in a political struggle to challenge the state. In fact, most protestors shouted their demands and signed petitions in which they called on the government to ease their daily suffering and humiliation. In some cases, however, the protestors used a different language to portray the government. In 2007, 300 families from the Basatin neighbourhood in Cairo organised a march to contest a proposed forced eviction from their homes before a court case for demolition of their properties had been concluded (Gabr 2007). During the march, the protestors distributed pamphlets with the title 'A declaration of war' which portrayed local government institutions as the enemy and their struggle as a matter of life and death.

The protests continued to swell despite routine police harassment. Labour strikes, political rallies, professional sit-ins and road blockades erupted alongside each other mobilising increasingly growing numbers and broadening the repertoire of contentious action. The pro-democracy movement, with Kefaya at the helm for a while, offered an example to other groups showing that it was possible to take the struggle against the regime into the streets and public spaces. Groups of activists and ordinary citizens who were not in any way directly linked to groups with 'political' demands were inspired and emboldened to publicly and collectively express their grievances. Furthermore, as activist groups and protest networks were characterised by interchangeable membership, the same individuals could participate in various forums and events to challenge Mubarak's succession plans, which for years involved grooming his son Gamal to inherit the presidency, protest against the war in Iraq, demand minimum wages and negotiate for freedom of professional and civil associations. Similarly, industrial labour strikes intensified concurrently with public servants' newly found confidence to oppose the regime's breaking of a long-held social pact between the state and sections of the professional middle classes. The almost two million workers involved in industrial action in recent years, and their families, lived in the same neighbourhoods and shared the same spaces where disparate groups of ordinary citizens took to the streets to protest their deteriorating living conditions. 'Political' and 'economic' struggles with their ebbs and flows developed and organised alongside each other without impeding or overwhelming the other. So even when the 'political' struggle was momentarily in the ascendancy while labour receded or vice versa, they both extended and organised 'in equal measure. Between the two there is the most complete reciprocal action' (Luxemburg 1906, p. 50).

## A fragmented struggle?

Laclau and Mouffe (1985, p. 10) argue that Luxemburg's work on the mass strike invites us to 'concentrate not only on the plurality of forms of struggle but also on the relations which they establish among themselves and on the unifying effects which follow from them'. While a separation of the realms of the struggle is not inherent, the capitalist state provides structural conditions which encourage and deepen such a binary relationship. Consequently, despite intersecting paths, cross-fertilisation, demonstrable effects and interchangeable membership, the different struggles by all these groups were insufficiently connected. This was evidenced by the absence of initiatives to build broadly based coalitions which could bring together and coordinate the efforts of all protestors. The pro-democracy movement and its constituent groups showed a high level of cross-ideological cooperation between Islamists, nationalists, and liberals, as well as an intense level of horizontal networking. The movement, however, remained firmly middle class in its membership and was unable to reach out to other social groups. In the midst of searing popular discontent, Kefaya failed to address the concerns of the classes and social groups most affected by neoliberal policies. While Kefaya core members and the leadership consistently stressed, in public statements and personal interviews, the need to reach out to these protest movements, the only actual links the movement had with them was limited to the symbolic issuing of support statements and to organising under-attended rallies.

This inability to create more solidarity between the different types of protests could be understood as a consequence of a number of greatly restraining factors. The first factor was the embryonic nature of the different groups of protestors whether pro-democracy, labour, or market-relations based. None of the three spheres of protests developed a solid base; they had neither a sustainable organisational structure nor a leadership. The loose organisational structure and the absence of leadership were the trademarks of these protest networks and were, indeed, among their major rallying points in mobilisation against the regime and set them apart from stale, traditional political organisations. However, these characteristics meant that the different groups lacked a robust base from which to reach out and attempt coordination let alone create a broad coalition. With regard to labour protests, they were localised, lacking sectorial or national coordination. Each strike, occupation or sit-in erupted spontaneously and only some developed committees to represent striking workers in the negotiating process with the management.

By the end of the first decade of the twenty-first century, both labour and pro-democracy groups were realising the importance of creating alternative, yet sustainable, forms of organisation. Some groups were grappling with new options while others actually achieved major victories. One landmark of the latter was the formation of the first independent trade union since the 1950s by tax collectors in 2009. The dispersed, market-relations-based protests, by definition, had no core and did not possess potential to develop beyond specific geographic localities. These protests did not develop out of an orderly plan with a grand design. In most cases, they developed spontaneously and as such originated, according to Luxemburg (1906, p. 48), 'from specific local accidental causes . . . and grew with elemental power . . . and then they did not begin an "orderly retreat", but turned now into economic struggle, now into street fighting and now collapsed on themselves'. On the eve of the 25 January uprising, the streets of Egypt were teeming with an impressive array of activist networks and protest groups. They were, however, no more than that; nascent groups and loose networks still exploring their potential as 'movements'.

The second factor in limiting coalition-building and the expression of more concrete forms of solidarity was the level of repression by the state which made it very difficult for protestors to reach out to other groups. The heavy presence of state security in public spaces, work places, universities and other institutional buildings, along with the draconian dictates of the emergency law against public meetings and gatherings, contributed hugely to the fragmentation of the struggle against the regime. 'Political' rallies which brought together a few hundred activists would be surrounded by thousands of riot police who stopped more people from joining in. The police never hesitated to use violence against protests thus intimidating others from swelling the ranks of the protestors. The chances of activists managing to enter factories or government offices and associate with striking workers or public-sector employees were even less likely. It was only when workers took their protests onto the streets that any real chance of joining them was possible. State repression ensured a physical separation between the 'economic' and the 'political' struggle.

While these two factors are structural, the third, which contributed to inhibiting the development of a coalition, was born out of a conceptual impasse. This was a prioritisation of struggles in which protests for social and economic rights were presented by some activists and political analysts alike as peripheral to the more serious business of changing the regime. Activists within the pro-democracy movement, especially with Kefaya at the forefront, perceived their own protests as the leading force for change around which all other groups should, and would naturally, rally. Labour protest and protests for other economic demands were regarded by political activists as important forms of agitation but not as central to the struggle against the regime. One of the critical members within Kefaya expressed this attitude by saying that:

> Political activists do not realise that change is currently taking place at different levels through the efforts of several other actors such as workers, farmers, employees and students who have become capable of organizing and bringing about tangible results by confronting the regime in much more meaningful ways than simply protests for political demands. These groups are putting the regime under pressure and posing a real threat to its hegemony. (Wael Kalil, Author interview, Cairo, 14 August 2009)

There were only a few voices, especially on the left of the wide-ranging pro-democracy movement, who criticised their fellow activists for regarding workers' activism as 'economic' rather than 'political' and hence as not as inclusive and powerful. The great majority believed that political change can only happen through emphasising a political message and political demands that have the backing of all social, political and economic groups in the country. In this reading, many activists not only saw economic demands (*matale biqtisadia*) for salary increases and other financial benefits as secondary, but also failed to recognise struggles towards them as the political action they were.

## The economic *is* political

Elaborating a sphere of the 'political' which is in contradistinction to the 'economic' cannot be theoretically maintained. Wood (1981, p. 2) argues that political Marxism illustrates how the economic sphere rests firmly on the political where the 'disposition of power between the individual capitalist and workers has as its condition the political configuration of society as a whole'. She elaborates how in this analysis the 'base' and 'superstructure' cannot be viewed as compartments or 'regionally' separated spheres 'but rather a continuous structure of social relations and forms' (*ibid*., p. 6). A compartmentalisation of different forms of resistance based on the content of their demands ignores this embeddedness and envisages an impossibly neat separation between the two worlds.

One of the reasons labour protests are often regarded as separate from larger struggles for political change is rooted in the nature of the capitalist production system. As Wood (1981, p. 14) puts it: 'Class conflict in capitalism is . . . encapsulated within the individual unit of production. . .. Each individual plant, a highly organised and integrated unity with its own hierarchy and structure of authority, contains within it the main source of class conflict.' This tends to make class struggle in capitalism '*local* and *particularistic*'. In the same vein, Eckstein (1989, p. 13) elaborates how 'labour's anger typically is directed at their bosses, whom they believe to be oppressing them, not at broad invisible forces like capitalism or distant agents of capitalism, like banks, which may ultimately be responsible for their plight.' Expressing their anger at the immediate level against their direct superiors does not, however, make workers' struggles non-political. The so-called 'economism' of working class attitudes does not so much reflect a lack of political consciousness as an objective shift in the location of 'politics' (Wood, p. 14). Under authoritarian regimes in particular, the smallest of workers' protests is indeed political. While El Mahdi (2011) goes on to speak of the rise of class-consciousness within the labour movement, Beinin (2011, p. 184) argues that 'in an authoritarian state the capacity to organise anything is a political challenge to the regime'.

Examining the nature of the demands of workers and unorganised groups of citizens, one can easily see their overtly political character. By demanding potable water and effective garbage collection, disempowered and marginalised groups have been bringing the state and its agents to account and putting pressure on its institutions to be responsive and accountable in the only way that was left open to them. Similarly, labour protest to demand better pay and secure jobs is necessarily a political act. In the absence of any legal channel of political representation where different groups in society can delegate democratically elected representatives to negotiate their demands, people have been directly representing their own interests and forcing state institutions to react.

While the failure to see labour strikes and market-relations-based protests for economic benefit as truly political is a huge analytical oversight, the unwillingness to see the growing 'political' demands of Egyptian labour during the last decade is tantamount to blindness. Labour protests during the first decade of the twenty-first century took place outside formal labour unions and were clearly opposed to the long-held monopoly of the co-opted ETUF, which workers regard as an extension of the state. By organising outside, and in spite of, formal unions, and by daring to create independent bodies, as the tax collectors did in 2009, Egyptian workers were demanding and effectively enforcing a renegotiation of the relationship between workers and the state. Along the same lines, the elected committee of the momentous strike at Mahalla in 2006 was successful in collecting almost 13,000 signatures by workers for a petition to impeach the head of the official General Union of Textile Workers and to demand free elections for a new union committee. Another major event at Mahalla took place in 2008 when the strike committee called for a national strike to demand raising the national minimum monthly wage to EGP1200.[3] This demand went beyond an attempt to improve the wage of the Mahalla workers; it was a demand representing the interests of millions of Egyptians and their families across different social groups. Historically, Petras (1978) argues:

> The greater the scope and intensity of working-class struggle soon led to an incorporation of economic with political demands ... the more closely immediate and historic ... demands become merged: wages and re-distribution, working conditions and control, repressive laws and state power.

The regime's policies of privatisation provided the impetus and the focus for the workers' growing collective action. But it was not only these policies and their direct effects on living standards that workers were challenging. The workers' struggle was in fact against the state and its institutions. The more workers became involved in fights for their rights in the immediate sense, the more their cause became political.

Conversely, it is also naive to perceive political struggles as having no roots in economic demands. The pro-democracy movement Kefaya and its associates relied heavily on the increasing mobilisation of economic vocational groups. While professional groups such as doctors, engineers, lawyers and journalists contested the state's oppressive measures preventing them from organising collectively through independent and democratically elected bodies, in many cases these professionals were also squarely placing demands on the regime to reverse their deteriorating living conditions. Like other groups in society, middle-class professionals were suffering the effects of neoliberal policies which markedly affected their living standards and deprived them of their long-held privileges including job security and social welfare. The March 9th Group for example was created to defend academic freedom. While the group radicalised wider sections of staff and students and revitalised a culture of political protest, one of the most successful activities of the group was a march held in March 2008 to push for better pay, adequate health care and a resolution to pension issues. Despite heavy intimidation by state forces, the march mobilised thousands of faculty members nationwide (Hamdy 2011). Similarly, Doctors without Rights, a group established in 2009 to contest the deteriorating work conditions of most doctors in the country mobilised to demand improvements in doctors' incomes and living conditions. The group's manifesto stated that improving doctors' living standards was a central step towards improving the virtually collapsed public health-care system (Mina 2010). One of the group's efforts was against the government's ban on doctors' right to strike but the core demands of the group remained focused on issues of overtime, basic pay and partial support for postgraduate studies (*ibid*.).

In no way is this exposition meant to support an argument that the economic is necessarily the cause of all struggles. Rather, this is to say that the economic and the political are inseparable without necessarily being fixed in a static, causal relationship. In Rosa Luxemburg's analysis, the economic struggle can at moments be the factor that advances events from one political focal point to another. At the same time, 'the political struggle periodically fertilises the ground for the economic struggle. Cause and effect interchange every second' (Luxemburg 1906, p. 201). What is political and what is economic is not fixed; neither is the nature of the link which brings them together.

A young generation of activists within the pro-democracy movement and leftist groups were growing disenchanted with the mainstream trend within the movement to prioritise political over economic demands and the failure to reach out and express solidarity with workers and other groups protesting for social and economic rights. Small groups of activists formed offshoots of the pro-democracy movement to articulate a new agenda which aimed to cross the boundaries between economic and political struggles. Small initiatives such as *Tadamon* (Solidarity), April 6, Youth for Justice and Freedom, and *Hashd* (Mobilisation) were the leading groups of this effort. Tadamon's declaration of principles, for example, states that its objective is to 'change the state of separation between the movement for democratic change and movements on the street' and to demonstrate that 'democratic struggle can never be separate from economically and socially based struggles.'[4] Activists who launched Youth for Justice and Freedom consciously chose its name to reflect the group's core message: while the struggle for justice and democracy need to go hand in hand, justice, signifying equal access to social and economic rights, takes priority. While the group consisted of members of diverse political convictions, they were all agreed that 'justice was more important than simply democracy' (Ola Shohba, Author interview, Cairo, 22 June 2011). The April 6 Group took its name from the major Mahalla strike in 2008 when the group was launched to promote a call for a general, national strike in solidarity with the Mahalla workers.

These nascent groups organised campaigns to support individual acts of protest by workers and other diverse groups by providing them with legal advice and media coverage. They also worked on connecting labour activists and other protestors with a network of human rights and labour lawyers. To encourage the creation of links between different protests, groups like Tadamon and Hashd organised meetings to which ad hoc leaders of different labour strikes from different sectors were invited to share experiences and discuss potential coordination. Moreover, non-governmental organisations (NGOs) and human rights groups targeted direct support to labour protestors. A small, yet highly visible and active, number of human rights NGOs and civil society groups such as the Center for Trade Union and Workers Services, the Center for Socialist Studies, the Egyptian Center for Economic and Social Rights, the Land Center for Human Rights, the Coordinating Committee for Trade Union and Workers Rights and Freedom, and the Hisham Mubarak Law Center were at the forefront of this support and solidarity campaign.

While these initiatives were crucial in laying the foundation for challenging the dichotomy between the 'political' and the 'economic' and offering both a vision as well as a concrete effort to create a broadly based coalition, they remained very small and embryonic in the short period in which they operated.

## And the revolution continues

Egypt's ruling elite seems determined to maintain the economic system and the political order which impoverished millions of Egyptians and created the impetus for ousting Mubarak. The SCAF, the Muslim Brothers (MB), remnants of the Mubarak business elite and the *ancien régime* have been flagrantly manipulating the political process in order to protect their political and corporate interests. In June 2012, the SCAF issued a constitutional declaration which granted it almost total control over military matters and a de facto veto on the drafting of the new constitution. This manoeuvre is intended to protect the military's huge corporate interests which estimates put at over 30% of the economy (Abu El-Magd 2012). The MB Freedom and Justice Party promotes an economic programme which is not at all dissimilar to the neoliberal project of the former ruling National Democratic Party. In an expression of the vested interest of the MBs in maintaining the same economic policies as Mubarak, the MB business tycoon Hasan Malek was quoted in March 2012 as saying that 'Mubarak's economic policies were on the right track but were marred with corruption and cronyism' (*Al-Masry Alyoum* 2012). The Islamist-dominated parliament, therefore, had no problem approving the 2012/2013 budget which paid only lip service to issues of redistribution and social justice.

Confronted with the same impoverishing economic policies and a political process persistently sabotaged by the elite, which is disregarding the demands of millions of Egyptians for freedom, dignity and decent living standards, a fresh wave of protests has intensified. The repertoire of contentious action continues to see road blockades by angry citizens protesting against water shortage and failing health services, factory occupations, protests by the unemployed and forcibly retired, and marches against the increasing powers granted to the military by the SCAF which has so far appointed the first two interim governments and granted itself extraordinary powers during the 'transitional' period.

The protests have in some cases brought whole sectors to a halt and even created complete gridlock in cities and towns. Despite the overwhelming power of the old/new ruling elite, the diversified nature of the protests has presented it with a major problem. Because of their disparate nature, protests are hard to co-opt or to crush. As Eckstein shows in the case of Latin America:

> The more diversified the base of resistance, the more difficult it is for a state to address the varied grievances of groups concomitantly through force or reform.… The diverse socioeconomic groups that rebelled in Mexico, Bolivia, Cuba and Nicaragua had different reasons for defying the government in power, but the net effect of their combined defection was a breakdown of the existing political and economic order. (1989, p. 49)

Faced with this same challenge, Egypt's ruling elite has resorted to isolating different struggles and institutionalising and strengthening a set of binaries in order to pit different groups against each other, such as Islamist versus secular, ballot box versus street protests and any form of protest which can be classified as 'political' or 'economic'. Fashioning the legal system to this end, one of the early actions by SCAF was to decree the unprecedented Law 34/2011 which criminalises strikes and protests that curtail production and applies heavy fines and prison sentences for workers who participate in, call for or publicise strike activity (Human Rights Watch 2012). The riot police and so-called 'unknown' thugs, have since not hesitated to resort to violence against those who have dared to break this ban. While there are numerous, well-documented incidents in which the police have used brutal force to suppress 'political' protestors,[5] striking workers have also been the target of violence. Examples are numerous and include the suspended sentence of one year in prison for five workers in the Egyptian oil company Petrojet in July 2011, the arrest and torture of striking workers at the Somid Company Port in March 2012, and indiscriminate shooting by riot police which caused serious injuries among the striking Mahalla El-Kubra Samoli Company workers (Socialist Worker 2012). Despite the legal ban, hundreds of thousands of workers have been involved in numerous forms of industrial action in what could only be seen as a political act of defiance.

Not only does the law criminalise labour strikes, it also strongly curtails opportunities for workers to organise. Egyptian labour and political party law, fortified by the military junta's constitutional declarations, continues to ban the formation of labour or any class-based political party which is, according to labour activists, a huge impediment to workers' ability to muster political strength. They argue that political parties, both before and after January 2011, continue to ignore workers' issues. One labour activist complains that these parties 'provide us with no assistance or support during our struggles. Other than lip service, they offer us nothing' (Charbel 2012). Moreover, the military junta has restricted efforts to create independent unions. Only a few days into the 18-day uprising, the Egyptian Federation of Independent Trade Unions was launched to provide an alternative to the state-controlled ETUF. In the months that followed, workers in different sectors established literally hundreds of independent unions. In August 2011, the former minister of labour took the radical step of submitting a more progressive draft law for trade union liberties to SCAF for approval. The move encouraged the International Labour Organisation (ILO) to remove Egypt from its blacklist of countries that do not respect trade union freedoms. However, the shelving of the draft law for months on end despite pressure by workers and labour activists, led the ILO to return Egypt firmly to the same blacklist once more in May 2012. Revolutionary moments, one has to remember, can see the adoption of some of the most repressive legislation. The Le Chapelier Law, for example, passed by the French Constituent Assembly in 1791, prohibited any form of association based on occupation. Violators of the law were punished by hefty fines and the 'suspension of citizenship rights' for one year (Sewell 1980). While the Le Chapelier Law was justified on the grounds that under the regime of liberty, no intermediary bodies were necessary between the state and the individual (Rimlinger 1977, p. 212), Law 34/2011 defended banning labour strikes on the grounds of their threat to the production process and the national economy. In both cases, however, workers were left completely vulnerable vis-à-vis their employers.

While legal measures have been crucial to efforts of marginalising workers' protests, the use of the media to shape hostile public opinion has been the most powerful weapon. The manipulation of the official media as well as sections of the private media owned by the business elite, has allowed the ruling elite to intensify their campaigns of vilification against workers and other groups protesting for their 'economic' rights. The media have been promoting a discourse in which protests for economic demands are portrayed as a direct cause of the deteriorating economic conditions in the months that followed Mubarak's downfall. By labelling them as *matalebfa'awyea* (group or partisan demands), these acts of protest are immediately reduced to the status of narrowly focused, selfish demands that would benefit only members of specific groups regardless of their damaging effect to the economy as whole. Another term which has become a mantra in the official media is *a'agalet el-intag* (the wheel of production) which protests and strikes are allegedly bringing to a halt. In this portrayal, protest by labour and groups of citizens is responsible for reducing national production as well as putting off foreign investors, whose capital the country desperately needs. In October 2011, the minister of labour was quoted as blaming striking workers as irresponsible and unreasonable as they had to 'take into consideration the financial crisis and the huge responsibilities which the government has to shoulder. Making exaggerated demands will not have positive consequences' (Albassel and Khalifa 2011). Similarly, 'increasing workers' … strikes, constant protests and unrealistic demands' were blamed by the head of the Investors Association in the industrial zone of Bourg El-Arab for the closures of over 100 factories in the zone in the months following the ousting of Mubarak (Abdelsalam and Ismail 2012). The dominant Islamist parties in Egypt's first democratically elected post-Mubarak parliament have also been on the same page as the government and the business elite. During a mobilisation campaign for a general strike in February 2012, representatives of the Freedom and Justice and the Salafi

Nour parties condemned the campaign as a 'call to destroy the state and to ruin the economy'. According to the political and business elite, protests should be confined to Tahrir Square and to political activists who represent the true demands of the revolution. An official of the Nour party was quoted saying 'Protest is enough as a form of popular pressure without hampering the economy. . .. [In place of strikes] I hope to see 300 or 400 thousand protestors every day in Tahrir to demonstrate the power of the revolution' (*Al Shourouq* newspaper, 9 December 2012). In the weeks following the election of President Mursi, protests intensified in front of the presidential palace only to be dismissed by Hasan El-Prince, a high-ranking official in the Freedom and Justice Party, as being organised by hired agents working in a state security conspiracy to destabilise the president (Aswat Masrya 2012). Using the media, the SCAF and interim governments have managed to manipulate public opinion not only to refuse to recognise these forms of struggle as an integral part of a revolutionary process but also to condemn them as impeding a swifter transition to democracy and stability. From the ruling elite's perspective, the fragmentation of protests and demands is an essential strategy to weaken the forces of the revolution. For the business elite, separating the economic from the political sphere and disparaging the struggles articulated within the first, has always been one of the most effective defence mechanisms against labour. Fighting for economic demands, however, remains an obvious political statement whose strength is that it defies not only the oppressive tactics of the forces in power but also exposes the liberal forces whose members hope to convince the people to suspend their fight and accept a promise of symbolic representation through elections (Alexander 2012).

While human rights groups continue to provide legal and other forms of support to workers and other protesting groups, political parties and groups remain firmly disengaged from struggles which cannot be labelled directly 'political'. Only some leftist groups and trade-union activists genuinely regard these struggles as an integral part of the process of changing the political order. However, leftist forces are themselves small and fragmented, despite the visible role they have played in the last decade, and remain unable to find a coherent strategy for working with labour. According to one labour activist, the left still has a problematic relationship with labour in which engaging with the labour movement is seen as optional; it is not regarded as integral to an overall revolutionary strategy (Gabr 2012). Because the left is not organically linked with labour struggles, its reaction to labour fluctuates between soaring elation when workers' strikes peak and total disillusionment when workers go dormant or, even worse, when they fail to rise in response to political activists' calls for a general strike as was the case in February 2012 (*ibid*.). It is clear that the left is confronted with a massive task of building organic links with workers. The process, even if successful, is long and will take decades. Leftist activists in the meantime are not always realistic about their ability to play a leadership role for workers or to get them to respond on cue. Against any delusion to that effect, Rosa Luxemburg reminds us that:

> It is clear that the mass strike cannot be called at will, even when the decision to do so may come from the highest committee of the strongest social democratic party . . . even the greatest enthusiasm and impatience of the social democratic troops will not suffice to call into being a real period of mass strike as a living, powerful movement of the people. (1906, p. 53)

## Conclusion

While Egypt's current ruling elite is a fluid compound of old and new elements, its reaction to the unfolding revolutionary process is unsurprisingly familiar. In response to the demands of millions for 'bread, freedom and social justice' it has responded with the usual predictable mix of repression, occasional symbolic concessions and violence – in short, 'more of the same'. Moreover, underpinning these historically effective tactics, those in power have been attempting to assert an ideological hegemony over the very essence of what constitutes the revolution. Using all the means at their disposal, they are creating in the public mind a pared down notion of revolution to include only the basics of liberal democracy while conducting a comprehensive campaign to demonise 'economic' struggles for justice which are then portrayed as separate, secondary and even deleterious to the struggle for 'freedom'. This tactic of accentuating a schism between political and economic elements of what is in fact an integral struggle is central to the elite's tactic of reducing Egypt's revolutionary process to an 'orderly transition to democracy'. Thus, the free market will be protected and neoliberal policies can flourish in return for occasional, limited political representation through elections.

This ploy, if successful, would guarantee the interests of the capitalist state and its agents who have historically fiercely resisted any demands for a radical transformation of the system especially during revolutionary situations. For the military, the effective ruler of the country, the battle to suppress revolutionary demands is not only about maintaining its control of a substantial part of the economy, as well as its long-earned privileges, but ensuring the current process of wealth accumulation of the economy as a whole that guarantee such privileges. Furthermore, the MB have firm roots within the business elite which has benefited from Mubarak's neoliberal policies. The group's ideological commitment remains in favour of a free-market economy. Similarly, international financial institutions, such as the World Bank and International Monetary Fund, as well as Western governments do not want Egypt, a cornerstone and an exemplar of their policies in the region, to stray from the path which Mubarak's regime followed.

The question which now looms large over Egypt's future is whether elements of the old regime, which are still well entrenched, particularly in the state apparatus, together with Egypt's new ruling elite can succeed in their efforts to reduce the revolutionary process, unleashed a decade ago, to a limited process of liberal democracy with the minimal concession of occasional and symbolic electoral participation.

Despite the enormous power of these forces, the process of radicalisation, which different groups and their struggles have undergone, indicate that the battle for the future is not going to be easily settled. After all, the millions of Egyptians who have taken to the streets for over a decade, during the mass uprising of January 2011 and in its continuing aftermath have not been protesting, taking huge risks, and sacrificing their lives so that one variety of crony capitalism is replaced by an untrammelled neoliberal capitalism which is determined by a national elite in consort with Western governments and international financial institutions. With no measures to redress their lived injustices, long-ignored demands and ever-deteriorating living conditions, it is hard to imagine how those millions could be convinced to go back to their homes and give up their fight for both political and economic justice.

The logical conclusion of Luxemburg's analysis of the mass strike is the development of a revolutionary situation which engenders unity of the political and the economic – a situation that would necessarily be resolved in a socialist direction. Laclau and Mouffe, on the other hand, wonder if this outlook is not somewhat deterministic. In examining more recent changes in the capitalist system they ask whether we might experience a situation where the fragmentation of the economic and the political struggle ceases to be an 'artificial product' of the capitalist state and instead becomes a permanent reality (1985, p. 10). The unfolding events in Egypt reveal that the tension between the two possibilities is still at play. Any prediction at this stage of the direction and outcome of the different struggles runs the risk of being overtaken by fast changing realities not only in Egypt but also at the level of the global order.

## Note on contributor

Dr Maha Abdelrahman's research interests cover a wide range of aspects of the sociology and politics of development including state–civil society relations, opposition politics and social movements, political Islam, human rights, Islamic and cultural commodification, the history of development studies, and labour relations and NGOs – both at the global level and within the context of the Middle East. Her current research focuses on the politics of the 'Arab Spring' and the history of social and political struggles in the Arab Middle East and the meaning of revolution in the twenty-first century.

## Notes

1. For a discussion of the history and role of Kefaya, see El-Mahdi (2009).
2. For further discussion of the successive regimes' corporatist policies towards labour, see Bianchi (1989).
3. In 2012, the Egyptian pound (EGP) is equivalent to GBP0.103091.
4. Tadamon, Declaration of Principles, http://tadamonmasr.wordpress.com/about/ [Accessed 15 August 2011].
5. What has become known as the Maspero massacre refers to the violent attack by the army and police on peaceful, mainly Coptic, protestors in front of the state-run television building in October 2011, while the Mohamed Mahmood massacre saw some of the most violent clashes between protestors and the police around the Ministry of Interior in November 2011.

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# 'A disciplining method for holding standards down': how the World Bank planned Africa's slums

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This article examines the World Bank's attempts to frame the relationship between states, markets, and citizens through its urban assistance programmes during the 1970s and 1980s. Drawing on internal memoranda, mission reports, and staff reviews, this study traces the bank's arguments about the ideal role of the state in housing and service provision. Over this period, the World Bank encouraged governments to withdraw from providing public housing directly and to act instead as an 'enabler' of market forces, with lasting economic and political consequences. The article concludes with a focus on South Africa in the early 1990s, when the World Bank (after two decades of practice in promoting privatised land and housing markets) counselled the African National Congress on its post-apartheid policies. In the years since, these policies have resulted in explosive confrontations with civil-society activists who remain committed to alternative visions of the role of the state in housing and service provision.

**Keywords:** World Bank; citizenship; privatisation; housing; land

[« Une méthode disciplinaire pour avoir tiré les normes vers le bas » : comment la Banque mondiale a planifié les bidonvilles d'Afrique.] Cet article examine les tentatives de la Banque mondiale en vue d'encadrer la relation entre les Etats, les marchés et les citoyens à travers ses programmes d'aide en milieu urbain au cours des années 1970 et 1980. S'appuyant sur des notes internes, des rapports de mission et les commentaires du personnel, cette étude retrace les arguments de la Banque sur le rôle idéal de l'État en matière de logement et de prestation de services. Au cours de cette période, la Banque mondiale a encouragé les gouvernements à se retirer dans le fait de fournir logement public mais d'agir plutôt comme un " facilitateur " des forces du marché, avec des conséquences économiques et politiques durables. Le document conclut en mettant l'accent sur l'Afrique du Sud dans les années 1990, lorsque la Banque mondiale (après deux décennies de pratique dans la promotion des terres privatisées et du logement) a conseillé le Congrès national africain sur ses politiques d'après-apartheid. Dans les années qui ont suivi, ces politiques ont donné lieu à des affrontements explosifs avec des militants de la société civile qui demeurent engagés à d'autres visions du rôle de l'Etat en matière de logement et de prestation de services.

**Mots-clés :** Banque mondiale ; citoyenneté ; privatisation ; logement ; terre

On 30 April 2008 the Johannesburg High Court ruled that prepaid water meters, which had been installed in poor townships in Soweto beginning in 2004, were a violation of South Africans' constitutional right to access to sufficient water. Judge MP Tsoka ruled in

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favour of five residents of Soweto's Phiri township who had filed suit against the City of Johannesburg and Johannesburg Water. The city had launched Operation Gcin'amanzi ('Save water' in Zulu) in 2001, in an attempt to reduce unaccounted water use in the city's poorest districts. City officials had argued that poor township districts were wasting water because of their decrepit apartheid-era water infrastructure. In 2006, Operation Gcin'amanzi received a ZAR320-million loan from the French Development Agency to complete installation of prepaid water meters in Soweto (O'Reilly 2006). The city had hired a French multinational corporation, Suez, to install the meters, which automatically disconnected water supply after residents consumed a free allocation (of 25 litres per person per day, or the equivalent of two toilet flushes per day for a household of eight). Beyond the allotted amount, the resident had to pay in advance for water. Although prepaid water meters were outlawed in Britain in 1998 because of public health concerns, South Africa sought to become a model for the technology – with an eye toward expanding its use on the African continent (see Ruiters 2006, Von Schnitzler 2008).

Beginning in 2004, township residents were forced either to accept the prepaid meters or to face total disconnection from the city's water supply (Lindiwe Mazibuko initially chose the latter option and, for seven months, resorted to walking three kilometres to obtain water from a reservoir). Residents in wealthier areas, with far larger water consumption rates, faced no such restrictions. Judge Tsoka highlighted the discriminatory nature of the municipality's provision of water in his judgment, finding that:

> The underlying basis for the introduction of prepayment meters seems to me to be credit control. If this is true, I am unable to understand why this credit control is only suitable in the historically poor black areas and not the historically rich white areas. Bad payers cannot be described in terms of colour or geographical area. There may be as many bad customers in the historically rich white areas as they [*sic*] are in the historically poor black areas. Bad debt is a human problem not a racial problem. (*Mazibuko and Others* v. *City of Johannesburg and Others* 2008, p. 59)

Citing Phiri residents' poverty, high incidence of HIV and AIDS, and their reliance upon state pensions and grants to make ends meet, Judge Tsoka ruled that the city must provide Phiri residents with 50 free litres of water per person per day and give them the option of an ordinary credit-metered water supply. He argued that increasing the free water supply would not strain the city's water and financial resources, especially if free basic water already supplied to rich households were redistributed to the poor through cross-subsidisation of water tariffs. The city appealed Judge Tsoka's decision to the Supreme Court of Appeal and the Constitutional Court. Ultimately, the country's highest court ruled that prepaid meters were consistent with the constitution. In a blow to the Phiri residents, the court held that Johannesburg's free water allocation was reasonable and that prepaid meters were introduced in a manner that was lawful, procedurally fair, and not unfairly discriminatory.

The Phiri case – the first ever to deal explicitly with the right to water – was the latest development in post-apartheid battles over the provision of housing and 'basic services' such as water and electricity. After the African National Congress (ANC) came to power in 1994, millions of people were hooked up to water, electricity, and telephone lines within a few years. Millions, however, were later disconnected for being unable to pay their bills. At least 40% of new telephone lines were out of service by 2003 and ten million people had been disconnected from water (McDonald 2003, see McDonald and Pape 2002). Municipalities' moves to privatise service provision and implement 'cost-recovery' mechanisms – with prepaid water meters as the most extreme example – gave rise to a number of social movements beginning in 1999, including Johannesburg's Anti-Privatisation Forum, the Treatment Action Campaign, the Anti-Eviction Campaign, the Landless People's Movement, and the *Abahlali baseMjondolo* ('shackdwellers') movement (see e.g. Ballard *et al*. 2006). Minister for Safety and Security Charles Nqakula reported that there were more than 6000 recorded protests across the country in the 2004/2005 financial year (Delaney 2007). Quieter protests abounded as well; some people disconnected their prepaid water meters and reconnected their households and neighbourhoods to the city, circumventing the meters. Others reconnected their electricity following cut-offs (see e.g. Ruiters 2006, Kasrils 2003). Of course, battles over urban governance and service provision are not new to South Africa; rent boycotts and calls for 'one city, one tax base' were key features of urban anti-apartheid activism from the mid 1980s.

The ANC's approach to urban governance and service provision has aimed to overcome the spatial inequalities created by apartheid legislation. However, by adopting a range of techniques circulating at the international level, the ANC's approach has rapidly become a model for 'public–private partnerships'. The story of how private-sector-led shelter and service provision became viable options – while more direct state-led attempts at redistribution fell off the policy agenda – reveals much about the structuring of urban space, permissible claims, and political demands at the turn of the twenty-first century. In South Africa and many other countries in the Global South, the World Bank had a large role in shaping the direction of urban governance and in framing the ideal relationship between states, markets, and citizens. This study will examine such framing processes through the World Bank's trial-and-error efforts at urban assistance in the 1970s and 1980s. Specifically, I will trace the bank's arguments about the ideal role of the state in housing and service provision. Over this period the World Bank encouraged governments to withdraw from providing public housing directly, and to instead act as an 'enabler' of market forces. The 'urban poor' were thus encouraged to construct 'self-help housing' through the bank's sites and services and slum upgrading approach.

This study draws on World Bank internal memoranda, mission reports, and staff reviews found in the archives of Michael Cohen, a head staffer in the World Bank's urban division from 1972–1999, as well as on speeches and publications.[1] In contrast to other studies of public housing, urban assistance, and the role of international financial institutions, my study seeks to clarify the World Bank's self-conceptions, rather than focusing solely on the outcomes of its actions. My inquiry is guided by the following questions: How was the relationship between the postcolonial state, market, and its citizens envisioned within the bank? What was the state's projected role as 'enabler' of market forces and the private sector meant to involve? Though focused on the 1970s and 80s, the article will conclude with a brief discussion of South Africa in the early 1990s, when the World Bank (after two decades of practice in promoting privatised land and housing markets) counselled the African National Congress on its post-apartheid policies. The ANC's adoption of these policies has resulted in explosive confrontations with civil-society activists who hold alternative visions of the role of the state in housing and service provision.

The World Bank started to focus on urbanisation and urban development in the late 1960s, paralleling a rising interest in urban space among social theorists. Beginning in 1970 with the publication of Henri Lefebvre's *The urban revolution*, scholars began to theorise urban space and urban society as conceptual units in their own right. Contesting Marxist scholarship that focused on the shift from an agricultural to an industrial world, Lefebvre argued that an additional transition had occurred – from an industrial to an urban world – and that this shift had ushered in profound changes in social organisation. Before 1970, urban research in sociology and other social sciences had been largely descriptive, and research was usually framed in a technocratic fashion in order to meet the needs of housing and urban development policy (see Smith 2003). In this paper, I approach the assumed divide between theoretical and technocratic approaches to urban space differently. My analysis of the World Bank's urban assistance projects focuses on understanding the theory implicit in such technocratic approaches, and how these theories have shaped urban possibilities by altering the way people think about the relationship between states and markets. My approach draws upon the work of scholars who have theorised the role of experts and expert knowledge in producing political and economic subjectivities (Elyachar 2005, Mitchell 2002, 2005, Ferguson 1994). I will conclude with a discussion of how the African National Congress in South Africa relied upon such expert knowledge from the World Bank to construct a more palatable narrative of the post-apartheid economy. The narrative relied on advice from the World Bank that was based on the bank's experiences in urban assistance elsewhere on the continent and in other parts of the world.

Existing literature on the World Bank and its policies is polarised. The bank itself has published thousands of reports, policy papers, and other documents reflecting upon its mission and direction. Critics – and there are many – have savaged the bank, particularly after its forays into structural adjustment beginning in the 1980s (see e.g. Bond 2006, Easterly 2005, Mkandawire and Soludo 1999, Olukoshi 1998, Walton and Seddon 1994). For all their differences, both bank publications and the writings of critics tend to obscure the evolving relationship between what the bank set out to do, what it in fact did, and what it then had to say about its actions. The bank was indeed part of an effort to remake the relationship between states, markets, and citizens. But bank officials constantly traversed a wide gap between ideology and practice; this gap was particularly pronounced in the case of mission staff who were in charge of implementing bank policy in any given country. The World Bank often talked up a neoliberal approach, but its walk was sometimes more of a Keynesian stumble – revealing an awareness that the 'free market' is rarely ever free (or self-regulating), and that attempts to 'jumpstart' it often necessitate continued intervention.[2] Such contradictions have been rife at the bank. For instance, neoliberal calls for the state to bow to private-sector service provision sometimes entailed voucher systems or other forms of government subsidy to 'enable markets to work' on their own. And calls to minimise state intervention have often, in practice, resulted in bloated bureaucracies needed to manage unwieldy bank projects and to oversee cost recovery.[3] On the other hand, the displacement of local public servants by World Bank consultants and by bank mandates that governments cut costs through payroll cuts has been significant. Given the scale and scope of the World Bank's operations, it is worth understanding this disconnect between ideology and practice. The World Bank has attained a reputation as a polished neocolonial enterprise despite its daily actions, which look much more like over-confident games of trial-and-error – with devastatingly high stakes. Nonetheless, the bank has managed to influence the relationship between governments and their citizens by reframing entitlements. Understanding the World Bank's framing is essential to understanding the constraints it places upon current modes of political engagement.

In examining accounts of World Bank practitioners (some of which are discussed publicly for the first time in this study), the tensions between neoliberal theories of urban development and the frustrations of implementing such theories come squarely into focus. Pure utopian accounts of how the market should be able to provide for the poor while reducing the burden on the state were forced to give way to practical realities. Within the Bank, staff who recognised the failure of the neoliberal model saw a need for states to underpin markets while at the same time subduing popular aspirations for development. The gap between theory and implementation was thus filled by an explicit plan to hold standards down and to depress expectations. Although bank practitioners were constantly forced to navigate the gap between theory and practice – and between popular expectations and outcomes – throughout the 1970s and 1980s, the prominent account of the World Bank during this period is of a self-confident neoliberal institution. In contrast, this article explores the relationship between the recognition of the practical inadequacies of the market's ability to 'deliver' to the poor and the resulting need to dampen popular expectations and radically reframe entitlements.

First, some background on the World Bank. While the bank is typically associated with lending to 'developing' countries, this was not its original remit. The World Bank was established in July 1944 during a conference of 44 countries in Bretton Woods, New Hampshire. The United States government had been drafting plans for new international financial institutions for the post-war era since it entered the war in 1941 (see Toussaint 2008, pp. 9–10, Gilbert *et al*. 1999, Galambos and Milobsky 1995). The architects of these institutions sought to stabilise the global capitalist system and prevent a situation such as that following the 1929 stock market crash in which countries like France, Belgium, Italy, and Great Britain were unable to repay their external debts to the United States (Toussaint 2008, p. 10). It was thought that providing public capital through a number of public, multilateral institutions would mitigate the risk of private international investments (Toussaint 2008, p. 13). Officially called the International Bank for Reconstruction and Development, the bank focused overwhelmingly on rebuilding Europe after the war. Between 1946 and 1948 the bank granted over US$500 million to countries in Western Europe, and granted just one loan to a developing country (Toussaint 2008, p. 19, Kapur *et al*. 1997, pp. 71, 78).

In 1947–48 senior World Bank officials took several steps toward surveying developing countries and determining a potential role for the bank in development lending. Officials conducted survey missions in several countries (mainly in Central and South America) and began project discussions with officials in 20 countries (Kapur *et al*. 1997, p. 83). By the end of 1948 the bank had published its first income estimates for different parts of the world, showing that per capita income in 'highly developed countries' in North American and Europe was over ten times that in most 'underdeveloped' countries (*ibid*.). The Chinese revolution of 1949 further encouraged World Bank officials to incorporate an 'under-development' dimension into the bank's work, as a means for combatting what they saw as the rising threat of communism (Toussaint 2008, pp. 19–20). The World Bank's *Fourth annual report*, published in September 1949, expressed a newfound commitment to 'economic development' (Kapur *et al*. 1997, p. 83).

The bank began lending money at high interest rates to developing countries for specific projects such as roads, port infrastructure, and agricultural projects (Toussaint 2008, p. 21). Until 1962 the bank did not grant a single loan for a school, health unit, drainage system or drinking water conveyance (*ibid*.). The bank tried to ensure that its projects would be profitable and that money spent on infrastructure projects would go to companies based in industrialised countries. Based on the World Bank's own annual figures, in its first 17 years more than 93% of the money lent came back each year to the most industrialised countries in the form of purchases of goods and services (*ibid*., p. 22). The World Bank stopped making such figures public after 1962 when it became less politically palatable to boast about how much international aid was flowing right back to the United States and Western Europe (*ibid*., p. 22).

Beginning in the early 1970s, the World Bank and other international agencies began to focus on housing and shelter provision as key elements in what they called 'urban assistance' programmes. The scale of these urban assistance projects and the extent to which they sought to remake municipal governance was staggering. As Michael Cohen, former head of the World Bank's Urban Division, wrote in a 2001 article that took stock of the bank's urban assistance programmes:

> Ten thousand urban centres in more than 150 countries received international aid. ... From the Bank, projects, plans, investments, research and loans were used to mobilize and leverage local resources to provide needed housing, water supply, sanitation, transportation, environmental management, education, social services and community development. Some US $60 billion was transferred to these urban areas, in most cases through their national governments. The primary objective was to alleviate poverty... (Cohen 2001, p. 39)

A key element of bilateral and multilateral agencies' shift toward shelter provision and urban poverty alleviation was the construction of the role of the state as an 'enabler' of market forces and private sector service provision, rather than a direct provider of housing and other services. The next sections will describe how this role came about, and how it fitted into the bank's larger conception of its urban assistance work.

## Imagining 'urban' at the World Bank

The focus on urban development – or even 'urban' as a concept – is not intuitive. Throughout the 1960s, development donors preferred to focus on rural projects, as developing countries' cities were seen as 'inherently complex and difficult environments in which to operate' (United Nations Centre for Human Settlements/World Bank 1992, p. 21). Their populations – increasingly composed of migrants between the ages of 15 and 29 – were seen as 'potential sources of upheaval', whose frustration over a lack of employment opportunities could easily be converted into a politically dangerous force (*ibid*., p. 7). For their part, newly independent governments in Africa faced high levels of differentiation between urban and rural areas during the 1960s, as colonial attempts at 'labour stabilisation' begun in the 1930s had created a high wage urban sector and a large 'urban–rural divide' (Amis *et al*. 1990, p. 4). In the early to mid 1960s, government housing polices tended to focus on fostering a middle class by providing subsidised public-sector housing, particularly to civil servants (*ibid*., p. 5).[4] In Lagos, for example, 62% of funds spent on public housing from 1957 to 1966 went into projects for high- and middle-income groups, while just 19% went to projects for middle- or low-income groups; the remainder went toward rehousing people who were displaced by clearance schemes (Barnes 1982, p. 7). With increased migration to urban areas by the late 1960s, many African countries began to see rising unemployment levels and more and more squatters in urban areas. Governments were not able to keep up with growing demand for housing. In Nairobi, for instance, the annual need for new housing was 9000 units by 1972 – not including the accumulated backlog from previous years. The city was expected to construct roughly 5000 units per year starting in 1965 in order to house the population at the prevailing growth rate, but they always fell thousands short of that target (Muwonge 1982, pp. 61–62).

As governments began to puzzle over the new 'unemployment problem' in urban areas, new trends in economics and anthropology began to draw attention to high levels of self-employment, which official employment estimates had overlooked. Economic anthropologist Keith Hart coined the term 'informal economy' in the early 1970s, following dissertation fieldwork among self-employed migrants in Accra (which he deemed a 'study of modernization', indicative of the dominant vision in development economics at the time) (see Hart 1969). Hart opened his 1973 article 'Informal Income Opportunities and Urban Employment in Ghana' with the following question:

> Does the 'reserve army of urban unemployed and underemployed' really constitute a passive, exploited majority in cities like Accra, or do their informal economic activities possess some autonomous capacity for generating growth in the incomes of the urban (and rural) poor? (Hart 1973, p. 61)

Hart thus fuelled a focus on the self-help, income-generating capacities of the urban poor – and a reification of the divide between what he deemed the informal and formal economic 'sectors'.[5]

Around the same time, the work of British architect John Turner was stirring up great interest at the World Bank. Based on his experiences in the slums of Lima in the late 1960s, Turner argued that squatters tended to solve their own housing needs, and thus that the '"problem" might be more accurately described as part of the "solution"' (Amis and Lloyd 1990, p. 18, Turner 1976, see also Cohen 2001, p. 58). Turner's work inaugurated a total shift in the conceptualisation of slums.[6] According to researcher Lisa Peattie:

> a differentiation was made between the 'slums of despair' of the non-upwardly-mobile resident of old central cities in the USA and 'slums of hope' in the developing world, in which new urban migrants were struggling to make their way upward in a newly-industrialising economy. The shanties were not housing in deterioration; they were housing in process of improvement. (Peattie 1982, p. 132)

Between these two trends in the literature on urbanisation, the focus in development circles turned to encouraging the 'informal sector' and 'slum upgrading'.

'Urban' became a concept and catchphrase at the World Bank in the late 1960s. It was thought that the bank's work in various sectors, such as transportation, water, and sewerage, needed to be seen as being part of a 'larger urban context' (Mattingly *et al*. 1984, p. 3). A working group under a Department of Special Projects 'began to address the problem of describing what "urban" might mean in Bank terms' (*ibid*.). In 1971, the working group produced the bank's first urban sector working paper, 'Urbanization', in which they identified concepts that, according to one bank staffer, 'became basic tenets of urban practice in the Bank: for example, the focus on poverty in the urban context, on affordability and cost-recovery, on replicability at large scale' (*ibid*.).

Robert McNamara's term as president of the World Bank began in 1968 (he came to the bank directly after serving as US secretary of defense, acting as a chief planner of the Vietnam War). McNamara ushered in a shift towards focusing efforts more directly on the poor in developing countries.[7] Initially, this meant focusing on the rural poor. In a 1970 speech to the United Nations (UN) Economic and Social Council, McNamara attested to the bank's lack of knowledge about urban issues (Cohen 2007). In 1973, he reiterated the bank's commitment to attacking rural poverty in a speech to the bank's board of governors in Nairobi (McNamara 1973). Just two years later, however, McNamara made a speech at the bank's annual meeting in which he committed the bank to assisting the urban poor, focusing on the organisation's responsibility to alleviate poverty among the people crowding cities in the developing world at an ever-increasing rate. McNamara's argument turned largely on the potential of the 'urban poor' to be a destabilising force that might upset efforts to spur economic growth. He framed the threat in no uncertain terms:

> Historically, violence and civil upheaval are more common in cities than in the countryside. Frustrations that fester among the urban poor are readily exploited by political extremists. If cities do not begin to deal more constructively with poverty, poverty may well begin to deal more destructively with cities. (McNamara 1975, p. 316)

McNamara closed with an impassioned call to action, which would be quoted by bank officials throughout the 1980s and 1990s: 'In the end, cities exist as an expression of man's attempt to achieve his potential. It is poverty that pollutes that promise. It is development's task to restore it' (*ibid*., p. 333).[8]

Given prevailing ideas about urban areas as inherently complex and dangerous, it is not surprising that in the early 1970s when Bank staffers set out to tackle cities they began by quantifying everything they could about them. 'Comprehensive city studies' were meant to 'provide a systematic framework for Bank activity' (Mattingly *et al*., p. 4). But by 1974, such comprehensive studies had already gone out of fashion, as they were seen as being too time consuming. As one staffer put it, 'they took a great deal of time, and at the end, we found that all the data had changed. People threw up their hands in frustration. There were too many ways of interpreting the data' (*ibid*., pp. 4–5). Instead, staffers decided to focus on 'small, simple things that were clearly needed – projects that would "get us in the door, give us an opportunity to build expertise and earn our *bona fides*"' (*ibid*., 5). Thus began the focus on 'sites and services' and 'squatter settlement upgrading' projects.

The World Bank's first targeted attempt at urban development was in Dakar, Senegal. The World Bank's board of executive directors approved an US$8 million interest-free loan for 50 years to the government of Senegal in June 1972 (Cohen 2007, pp. 146–7). The World Bank's stated objective was to provide low-cost affordable housing and infrastructure ('site and services') to urban residents in Dakar (International Bank for Reconstruction and Development 1972). This represented a radical departure from public housing, as 'the intention was to make housing affordable to low-income households without the payment of subsidies, in contrast to the heavily subsidised public-housing approach' (Pugh 1995 in Davis 2006, p. 72). Rather than seeing urban slums as something to be demolished, the World Bank embarked on a plan of 'slum upgrading' and 'sites and services' that valorised the 'self-help' capacity of urban residents and facilitated a withdrawal of state and local government support for public housing. Instead of supporting single-family homes – an approach that had been favoured by the United Nations' Centre for Housing, Building and Planning, and the British and French governments' bi-lateral housing and urban planning programmes, and which had been implemented in Latin America – the World Bank sought 'low cost solutions such as providing one water faucet for one hundred families' (Cohen 2007, p. 145). The idea was that individual families would be given loans to buy materials with which to build their own homes on the sites. Rather than being entitled to public housing, low-income individuals and families were meant to pay for construction – allowing the Bank to recover any costs for the project from the poor.

Drawing on economist Milton Friedman's neoliberal theory of public choice, the World Bank's Dakar experiment sought to shift from an emphasis on supply to a focus on demand in housing provision. Michael Cohen describes the rationale for a 'supply-side orientation' thus:

> Infrastructure projects often reflect a large 'supply bias', i.e. they reflect the design preferences of the engineers who build them, but such projects frequently are unconnected to the demand side or the potential users of these services. It should be no surprise that these projects frequently create services which the public utilities cannot sell. As a result, infrastructure projects frequently place local authorities in financial difficulties. (Cohen 2005, p. 24)

The shift to a supply-side orientation limits the role of government-subsidised entitlements to housing, as the market is perceived as operating more efficiently if it takes its cues from people's ability and willingness to pay for services. Limiting government subsidies was recognised early on by some within the bank as a politically charged proposal. As an anonymous World Bank Transportation & Urban Projects Department paper put it in April 1974 in an extended discussion on the role of subsidies:

> How far settlers can justifiably be subsidised in meeting the part of the total costs of the project allocated to them is a troublesome issue since socio-political judgments are inevitably involved. (IBRD 1974, p. 19)

In order to keep costs down, the Bank devised a model for high-density residential areas with a minimum of public infrastructure, services, and space (Dunkerley 1973). As Michael Cohen put it:

> the challenge for project design was to reduce the costs of the project and thereby increase its affordability for low income households. … *Density was the decision variable which could make that possible*. Reducing costs meant reducing the size of plots per hectare, and in so doing, *increasing the density and the number of households per hectare*. Residential densities were to be increased rather than creating either public space or additional space for social facilities. (Cohen 2007, p. 147; original emphasis)

Density was certainly achieved in the Dakar project; when the bank and the Senegalese government declared the project 'completed' in 1982, the project had 10,500 plots with 10 persons per plot, making it the second largest 'city' in Senegal (*ibid*., p. 149). As of 2006, the population was home to somewhere between 350,000 to 500,000 people (from three to five times the originally projected population and density per hectare) (*ibid*.).

The Dakar project got off to a slow start, which forced bank officials to reflect upon their endeavour and its shortcomings. They had an ambitious implementation schedule – it had been assumed that '14,000 plots could be constructed and services provided in six years, with households beginning to build their self-help housing as soon as they received ownership of the plot' (*ibid*., p. 147). While Michael Cohen (who worked on the implementation of the Dakar project in the 1970s) attributes delays, in part, to bank staff's 'underestimat[ing] the time for policy and institutional changes to occur', he also points to disagreements between the bank and the government of Senegal about the merits of the project and its approach. He writes:

> Delays in implementation also reflected more profound second thoughts on the part of the Senegalese Government. … [T]hen President Leopold Senghor visited the site [in December 1974] and declared that all households in the project should have private water taps and toilets, both of which were clearly unaffordable by the majority of the intended low-income population. This signaled Government interest in settling a wealthier population on the site. Despite mixed messages and contradictory policies, the Government was legally bound by agreements it had signed with the World Bank, the implementation of the project continued… (*ibid*., p. 148, see also Bathily and White n.d., p. 98)

Mission reports on urban assistance projects often referred to the socio-political difficulties of implementing sites-and-services and cost-recovery programmes. Although most governments may have been doing a dismal job of delivering housing and services to low-income populations (and others were not attempting the job at all), they were often hesitant to formalise low standards. The reasons for this hesitancy varied. In the case of Kenya, reluctant politicians seemed to have tourism in mind, rather than the direct needs of Kenyans. According to political economist Richard Stern,

> there was for some time considerable resistance – by President Kenyatta and other members of the indigenous bourgeoisie – to sites and services. The reasoning often heard was that, if

> building and sanitation standards were allowed to fall in Nairobi, tourism would suffer and international firms would hesitate to locate in Kenya. It was only when dilemmas and uncertainties developed within the governing coalition that the new international planning orthodoxy was grudgingly accepted. (Stern 1982, p. 93)

But urban anthropologist and former consultant to the World Bank, UN, and the United States Agency for International Development (USAID) on settlement planning Lisa Peattie has pointed to the fact that governments faced problems of legitimacy when lowering standards. She put it succinctly: 'Which government wants to be seen building slums?' (Peattie 1982, p. 134). Letting slums proliferate was one thing, but 'guiding' them was another.

Implementing cost-recovery mechanisms at the municipal level was often considered to be too politically dangerous; governments might have agreed to implement cost-recovery schemes, but fail to put them into practice out fear of losing favour politically. (Tager and Patel 1979, p. 1). Altering the role of the state and the market in housing and service provision promised to change not only senses of entitlement, but also conceptions of citizens' obligations to the state. As a confidential interim report written by the Dakar project's evaluation bureau (not dated, but likely written in late 1978) observed, the bank had failed to take such political implications into account as it defined its urban approach:

> The seeds of many of the problems experienced in project implementation can be traced back to the period of preparation (1969–73). During this time the Bank's urban policy was poorly defined; the policy (such as it was) was the antithesis of the policy *being carried out* in Senegal; and the OHLM [Office des Habitations à Loyer Modéré] did not have the capability of carrying out such a large, novel and politically sensitive exercise. (Bathily and White n.d., p. 28; original emphasis)

If in the early 1970s the bank was still struggling to define its approach to urban assistance, by the time McNamara made his speech on the need to tackle urban poverty in 1975, a fairly clear conception of the relationship between the state, the market, and 'urban poverty' had emerged in bank thinking. This view saw 'urban' as a distinct sphere facing a demographic threat. 'Urban poverty' was a function of economic dualism, with 'two sectors' – the informal and formal – existing alongside each other. And '(central) government' was an entity that needed to step aside and allow markets to function more efficiently in order to provide housing to the poorest. Standards should be kept low when it came to housing and services for the urban poor. This would keep costs down – not for the government, but for the poor themselves, who were now expected to pay for their own housing and services.

McNamara articulated this dualist perspective of urban poverty in his 1975 speech:

> To comprehend the pathology of poverty in the cities, one must begin with an analysis of the employment opportunities of the poor. Employment in the urban areas of the developing world is a function of an economic dualism that is widespread. Two sectors coexist side by side. One is the organized, modern, formal sector, characterized by capital-intensive technology, relatively high wages, large-scale operations, and corporate and governmental organization. The other is the unorganized, traditional, informal sector – economic units with the reverse characteristics: labor-intensive, small-scale operations, using traditional methods, and providing modest earnings to the individual or family owner. (McNamara 1975, p. 317)

After discussing the causes of urban poverty, McNamara focused more directly on what he saw as standing between the poor and access to housing and services such as water, sewerage, transport, and education. He argued:

> The whole question of 'standards' of urban services works to the disadvantage of the urban poor for they are often written with middle-class or upper-income orientations, and have little relevance to the situation the poor find themselves in. Standards are important, but they must be formulated to meet realistic and attainable objectives. If the needs of the poor are to be met within a reasonable time span, public utilities and social services will have to be provided at costs which they can afford to pay. (*ibid*., p. 326)

McNamara went on to argue that the bank 'can play a significant role in pointing out the extent to which governments' present policies, practices, and investment allocations are seriously biased against the poor' (*ibid*., p. 330). McNamara's solution for getting around what he deemed to be governments' anti-poor bias? Sites and services projects, as piloted in Dakar: 'Sites and services projects, then, stimulate self-help, and make it possible for the poor to house themselves in a viable, cohesive community with a minimum of public expenditure' (*ibid*., p. 328).

The bank rapidly expanded its urban assistance programmes throughout the 1970s; by 1979, the bank had committed US$1.84 billion to help finance 45 urban projects in all regions (Tager and Patel 1979, p. 1). The World Bank had identified the subjects of its interventions as 'the urban poor', which its Urban Poverty Task Force estimated to be almost a third of the world's urban dwellers or 280 million people in 1979. According to the bank's definition, the 'urban poor' were officially 'people with per capita incomes insufficient to meet minimum nutritional requirements (the absolute poor) or those with per capita incomes less than one-third the national average (the relative poor)' (*ibid*., p. 2). As the next section will explain, apart from the definition based on income, the 'urban poor' were also conceived of as the 'customers' of World Bank urban assistance. The label succeeded in flattening various regional- and country-specific histories and forms of politics into a one-size-fits-all model. Since the 'urban poor' were to be found across the world – from Latin America to the recently independent countries in Africa to Asia – the World Bank had a (seemingly identical) 'customer base' around the globe. The World Bank similarly flattened questions of land allocation – often highly skewed given histories of colonial dispossession and spatial planning – and the prospect of land reform into a more manageable question of 'sites' to be parcelled out and serviced. This led one observer to comment in the late 1970s 'that the World Bank was interested in sites, but not land' (Cohen 2007, p. 146).

## Institutionalising urban and educating a customer base

As 'urban' was institutionalised at the bank throughout the 1970s and early 1980s, bank staff began to sense the standardisation of the bank's ethos and operations. Over the course of eight months in 1983–84, three Massachusetts Institute of Technology (MIT) researchers conducted interviews and project debriefing sessions with members of the World Bank's urban staff 'as part of a pilot effort to encourage the staff's reflection on practice' (Mattingly *et al*. 1984, p. 1). The staff's reflection reveals much about how they conceived of urban assistance projects – and even more about the culture of 'learning by doing' at the Bank. In taking stock of the first 12 years of the bank's urban assistance work, the MIT researchers stressed the pressures which urban staff felt to accommodate to the institutional structure:

> It is clear that [the] urban [division] has gone a long way toward establishing itself in the Bank. Staff has grown nearly ten-fold; projects, a hundred-fold. A body of professional expertise, skill and lore has been created. Throughout the developing world, a network of urban Bank

> customers has been nurtured. All of this has been done, however, in such a way as to require of urban staff and programs a fundamental accommodation to the dominant ethos of the Bank. In the wake of the McNamara era, and with the implanting of urban projects in regional departments, urban can survive only by continually maintaining its legitimacy, relevance, and credibility within a Bank context dominated by macro-economic ideas of Bank mission and by a control system closely bound to those ideas. (Mattingly *et al*. 1984, p. 6)

The extent to which project managers could actually adapt their strategies to situations in any given city varied – some urban staff complained that the bank tried 'to make the context conform to the project rather than the project conform to the context' while others spoke of high levels of improvisation (Cohen 1980 in Cohen 2007, p. 149). Such improvisation was deemed necessary because, as one urban staffer said, 'the typical highway or low-income housing project ... will turn out wrong if done "by the book"' (Mattingly *et al*. 1984, p. 7). The example of one particular project in Calcutta circulated as 'a moral about the need for a flexible and open-ended approach'. In that case, 'the need to cope with a flooded area led to the idea of digging a drainage hole which led to the idea of creating a lake which led to the idea of fish-farming' (*ibid*., p. 12). Whatever their experiences in terms of flexibility in the field, most agreed that any learning done in a particular city was lost before it could benefit subsequent missions because of the pressure to show compliance with, and support for, the bank's approach in mission reports.

In their interviews with the MIT researchers, urban staff describe the extent to which the bank had standardised both its 'criteria of rational practice' and the specific 'products' it offered in terms of urban assistance. Each project had to legitimate itself in terms of the bank's key concepts: 'affordability, cost-recovery, replicability, efficiency pricing' (*ibid*., p. 11). Communicating these standards involved a 'teaching function': 'interacting with the borrower involves a teaching function. Through conditionalities and through the process of negotiation itself, the host government must be brought to "understand things the Bank's way"' (*ibid*., pp. 9–10). The bank offered not only money, but also a specific 'tool kit' or product line to go with it. The key element was making governments adopt the bank's language, conception and approach. As the MIT researchers observed:

> There is, further, the idea of building up a body of educated customers who not only have developed 'institutional competence' themselves, but can educate others; even the Saudis, we are told, now talk to the Turks about 'cost-recovery'. Within the Bank, there is the idea of building up a body of staff who 'know the game', as well as building up a kit of tools which permit the fine-tuning of the Bank's product line: sites-and-services, trash collection, urban transportation, tenuring. (*Ibid*., p. 12)

Despite the delight which staffers took in educating their 'customers', mission staff in various countries were not always confident about the extent to which technical assistance really sunk in. As the MIT researchers put it:

> From the field mission perspective, the 'economic policy dialogue between lender and borrower' may appear as one in which borrowers 'put up with the technical assistance because of the money' and conditionalities are negotiated with the understanding that there will be a degree of softness in their execution. (*Ibid*., p. 8)

Some of these reservations made their way into mission reports. In December 1979, two Urban Division staff members submitted the first memorandum reviewing the bank's experience with urban projects in eastern Africa (Tager and Patel 1979). The report was unusually lengthy, as it hoped to give other Urban Division staff a sense of the scope and underlying principles of the East African project, and to situate the project within the overall context of urban operations for purposes of comparison with other projects. For these reasons, the report was remarkably candid; it offered frank assessments of the failures of sites and services projects to provide affordable housing for the poorest of urban households and to achieve cost recovery goals. Though none of the East Africa projects had been completed yet, the authors set out to provide a preliminary review of several aspects of the implementation experience, including: 'initial occupancy, cost recovery, user preferences, and community participation' (*ibid*., p. 2). In terms of the scale of the projects, the East Africa region accounted for a very small share of the bank's urban projects in the 1970s; of the bank's 45 urban projects receiving funding as of 1979, just seven of these were in East Africa. The bank provided US$117.5 million in loans to projects in East Africa, spread across Botswana, Tanzania, Zambia and Kenya.[9] In each country, initial slum upgrading projects tended to focus on the capital or largest city, as it was hoped that success in such cities would have a positive demonstration effect and allow for expansion into secondary cities.

The authors began their description of the projects by commenting on how much the design of sites and services projects had evolved since the Dakar experiment began in 1972. The first East African projects focused on the provision of a few 'standard features', meaning relatively low-cost infrastructure standards and minimum services for dwellings. In each case, levels of services were bifurcated based upon the expectation that two different income groups would occupy the site. In Zambia I, for example, 'basic' plots had standpipes and pit latrines, while 'normal' plots had individual water and sewer connections. In Tanzania I, 10,600 sites were to be served by water kiosk, while 1600 plots had individual water connections. As in Senegal, the bank ran into problems involving the political viability of its slum upgrading and sites and services approaches. In Kenya, for instance, the government required that 100% of sites be provided with individual water and sewerage connections. By 1975, the projects 'had come to include a wider mix of options (serviced plots only; plot with sanitary core; plot with sanitary core and kitchen; plot with sanitary core, kitchen plus bedroom) and a spectrum of service levels designed to meet different needs at varying prices' (*ibid*.). This differentiation in terms of standard levels was further stretched in order to include 'the very poor', or the bottom 20% of the income scale. When Tanzania II was initiated in 1977, it provided '19,000 basic surveyed plots with a communal water supply only – in effect, an attempt to guide squatting through provision of secure tenure and potable water. The other services were designed to be provided in subsequent states as incomes permitted'. Kenya II, on the other hand, stretched in the other direction; here the authors observed that 'the concept of differential charging has been extended to the sale for profit of larger, commercial plots, to permit even larger numbers of the urban poor to participate in shelter schemes (*ibid*.).

The authors also highlighted what they considered to be the bank's progress in terms of extending credit to individual occupants in order to build or improve their dwellings. The Dakar project had not contained such a credit mechanism, but by 1979, it had 'become a standard feature in projects throughout the regions'. Botswana I was the first East African project to have a building materials loan programme. It made loans amounting to US$450 per household to pay for bricks, cement, sand and other building supplies – an amount considered adequate for building two rooms. Each East Africa project differed in terms of which types of institutions administered the loans and whether the loans were paid all at once or in stages (with each tranche subject to verification of progress on previous construction phases). The second-generation projects involved a shift from loans of materials to construction loans for the following reason:

> In the earlier projects, no provision was made in the loan amounts for hiring labor, since Bank policy concerns favored the promotion of self-help defined in its very limited sense – each beneficiary household, itself, constructing a shelter. Experience, however, revealed a very different trend; most households (40–80%) used small contractors to build a major part of their shelter. Families appear to pursue this course because they lack certain building skills and experience and/or because they simply cannot afford to take time off from work. (Tager and Patel 1979, p. 7, see also Keare and Parris 1981, p. 4)

Thus the bank's original conception of 'self-help' needed to be revised in order to take into account other economic demands upon households (not to mention the need to move beyond the assumption that all locals were innately talented in home construction).

The report's authors were frank in their conclusion that, in several key aspects, the projects were failing on their own terms. They focused on failures in terms of actually providing housing to the poorest 20% of urban households and cost recovery. On provision of affordable housing to the poorest, the authors made the following observation:

> With regard to the target beneficiaries in sites and services, plots are currently not affordable to the poorest 20% of urban households. But that is a social and political constraint to design; it has proven impossible to design technical solutions which at the same time are socially and politically acceptable to governments – thus ultimately to the users – at a cost low enough to be affordable to the poorest. Another observation arising from the experience is that the income groups benefitting from site and services appear to be slightly higher than anticipated at the time of project design. This is due to at least two factors: rapidly rising construction costs, requiring an upward adjustment in the income cut-off points of intended beneficiaries and pressure from middle income groups for whom few, if any, shelter programs usually exist. (Tager and Patel 1979, p. 20)

The authors acknowledged this as a 'trickling up' of the project benefits. This chimes with the experience of the majority of bank urban assistance projects; though they had set out to rectify what they considered to be governments' failure to provide housing to the poorest of their citizens, historian Mike Davis states that 'even the World Bank's most ambitious and touted projects tended to be poached by the middle classes or non-needy in the same way as had public housing' (Davis 2006, p. 73). In 1987, it would be estimated that 'the bottom 30 to 60 percent, depending on the country, were unable to meet the financial obligations of sites-and-services provision or loans for upgrading' (Peattie in Davis 2006). Thus, like the government programmes they were meant to show up, sites and services programmes ended up catering to a middle-income population.

On cost recovery, the report authors attribute the 'dismal' record in the East Africa projects to an inability to reconcile technical solutions with social and political dynamics. As in other World Bank documents examined here, they describe cost recovery as being important because it 'provides a disciplining mechanism for holding standards down to affordable levels' (Tager and Patel 1979, p. 4). However, not all governments or urban residents were keen on having their standards adjusted in this way. The authors write:

> It is important to note here that collections performance in our project areas is necessarily linked to municipal collections of monies owed to them in property taxes, water and other utility tariffs, and public housing rents. The record in most municipalities is dismal. We believe that in earlier projects, Bank staff did not pay enough attention to the need to establish simple, workable, and well manned mechanisms for collections. But even more important, the analysis of social/cultural practices and political realities in project cities was not rigorous. The result is cost recovery targets for our projects which are completely out of touch with the social/political environments where the projects are located. Thus while the goal of full cost

> recovery should be maintained, the mechanics and setting of targets for achieving the same requires careful attention. (*Ibid*., p. 18)

This is a telling moment, as the authors are wrestling with the tension between technical solutions and social, cultural, and political realities or, more precisely, expectations. The bank was becoming increasingly aware that it needed to produce citizens with lower senses of entitlement toward their governments – educating them into being customers of the private sector, and to expect delivery of services and utilities not from their governments but from the market. At the time, however, the report's authors ended on a discouraged note: 'Until collections can be improved, the claim that it is possible to design and implement affordable housing solutions without public subsidies remains effectively in doubt' (*ibid*., p. 21). Thus there were concerns even within the bank about the possibility of providing for the poor without government subsidy.

And yet, publicly, the idea of the state as an 'enabler' of the private sector was gaining a chorus of support on the international development scene. The concept of 'enablement' had been around for decades, but it was gaining a higher public profile among international housing authorities. Bilateral and multilateral agencies began targeting housing and shelter provision and urban poverty alleviation in similar ways in the 1970s and 1980s. In line with the World Bank's approach, such agencies construed the role of the state as an 'enabler' of market forces and private-sector service provision rather than a direct provider of housing and other services. The United Nations Centre for Human Settlements (UNCHS/Habitat) began to articulate this role explicitly after 1976, recommending that governments concentrate on creating incentives for households, non-government organisations, and the private sector to provide shelter and services (UNCHS/Habitat 1998, Hansen and Vaa 2004). This anti-statist and pro-market approach became even more fashionable in the 1990s, riding a wave of triumphalist rhetoric after the end of the Cold War.

Indeed, the World Bank model had been conceived in the context of the Cold War in contrast to a Soviet model of centralised planning and public housing. At the end of the Cold War, the bank saw a 'competing lender' fold and it perceived an opportunity to consolidate a neoliberal world economy. In a September 1992 paper entitled 'A new focus on aid for urban development' prepared by UN-Habitat and the World Bank and circulated to a restricted group ahead of the Organisation for Economic Cooperation and Development's Development Assistance Committee meeting in November 1992, the anonymous authors describe this opportunity under the heading 'The "one-model" world economy: the end of choice?':

> The rapid collapse of the Communist regimes in Eastern Europe and the subsequent disintegration of the Soviet Union has had important consequences for macro-economic policy and for development strategy choice in the developing countries as well. The first consequence has been the termination of an important source of political, economic and technical support for those Third World countries which had attempted wholly, or in part, to emulate the centrally-planned model of economic development. The second consequence has been the reduction in policy choice. Although the 'Third Way' appropriate for the 'Third World' was never found during the Cold War struggle, a lot was learned. Innovation did take place. What the changed international political environment of the 1990s will do to this independent innovative spirit in developing countries is unclear. On the other hand, it has also been argued that the failure to conform rigorously to the market economy model has been responsible for the absence of positive economic performance in many developing countries. (UNCHS and the World Bank 1992, p. 11)

The document's authors envisioned a rapid expansion of the bank's urban lending in the early 1990s.[10] In looking forward, the authors stressed that only through greater participation and accountability at the local level will goals of 'better governance, democracy, and economic growth' be met. Later on, however, they defined participation in a peculiar way – as a willingness to pay for services. They wrote:

> If the emphasis is on user satisfaction, if users are seen as clients, not as beneficiaries, then one would also assume that there will be a greater willingness to pay for these services. Participation can therefore be part and parcel of sound economic management. (*Ibid*., 13)

They concluded by calling on donors to support efforts to 'create the policy framework conducive to an expanded role for the private sector' (*ibid*., 17).

The World Bank would publicly declare its support for the 'enabling' framework in a 1993 policy paper called *Housing: enabling markets to work*, authored by Stephen K. Mayo, the Urban Development Division's principal economist, and Shlomo Angel, a housing policy consultant. The policy paper began with a clear statement of the policy direction it recommended for the bank and its borrowers in years to come:

> [The paper] advocates the reform of government policies, institutions, and regulations to enable housing markets to work more efficiently, and a move away from the limited, project-based support of public agencies engaged in the production and financing of housing. Governments are advised to abandon their earlier role as producers of housing and to adopt an enabling role of managing the housing sector as a whole. (Mayo and Angel 1993, p. 1).

They specifically defined an enabling strategy as one in which 'governments move from producing, financing, and maintaining housing to improving housing market efficiency, particularly on the supply side' (*ibid*., p. 103).

## The World Bank and South Africa's transition

The same year that Stephen Mayo and his co-author published this policy paper advocating for the enabling framework across the bank's urban policies, he also focused on how the framework might be applied in South Africa. In 1993, he drafted a paper called *Housing policy reform in South Africa: international perspectives and domestic imperatives* (Mayo 1993). Though the World Bank had refrained from lending to the apartheid state (it did, however, remain in conversation with the African National Congress in exile), the bank sent a mission to the country in 1990 once it was clear that a transition was imminent. The Bank would attempt to shape the ANC government-in-waiting's urban policies into market-based programmes in line with the 'enabling framework'.

It is important to clarify that what follows is not a comprehensive account of the emergence of the ANC's neoliberal policies in post-apartheid South Africa. The fact that the ANC was influenced by techniques circulating at the international level is well known, and has been ably discussed by others (see e.g. Harrison *et al*. 2003, Huchzermeyer 2003, Marais 2001, Bond 2000). In order to give a full account of the World Bank's influence on the ANC's emerging urban policy, it would be necessary to examine how proposals for state-led redistribution (such as the ANC's Reconstruction and Development Programme, or RDP) fell off the table. Instead, this final section makes a contribution to existing accounts by fleshing out the World Bank's role in pre-emptively de-legitimating certain forms of political engagement and protest.

After decades of honing its approach to 'urban assistance', the World Bank was prepared to lend its expertise to the transition from apartheid in South Africa (see World Bank Mission 1991).[11] In his authoritative study of South Africa's 1990–94 transition period, political journalist Hein Marais writes of early and extensive World Bank involvement in the transition, noting that 'the World Bank soon after the 1990 thaw had opened channels to the ANC and the trade unions, and enlisted researchers associated with the democratic movement in its projects. "This is the only country in the world where we speak to the opposition," its representative [Isaac Sam] later boasted' (Marais 2001, p. 128, see also Bond 2000). South African journalist William Gumede describes the sheer force of the bank's influence:

> It was an onslaught for which the ANC was wholly unprepared. Key economic leaders were regularly ferried to the head offices of international organizations such as the World Bank and IMF, and during 1992 and 1993 several ANC staffers, some of whom had no economic qualifications at all, took part in abbreviated executive training programmes at foreign business schools, investment banks, economic policy think tanks and the World Bank, where they were 'fed a steady diet of neo-liberal ideas.' It was a dizzying experience. Never before had a government-in-waiting been so seduced by the international community. (Gumede 2005, p. 72)

For the ANC, which only formed a dedicated department of economic policy in 1990 (after 80 years as a liberation movement), the prospect of sitting across the negotiation table from the ruling National Party, which was backed by big business and state resources, was daunting (*ibid*., p. 72). ANC officials with scant economic background or concrete policy ideas of their own often welcomed the authority that came with World Bank ties. For instance, when plans for a Durban regional economic development conference went sour in September 1990 (with the ANC claiming that the backroom preparations and politicking by representatives of white government and business 'make President de Klerk look like an ultra-left radical' (ANC Southern Natal Region Co-convenor 1990)), the ANC urged the World Bank to decline an invitation to attend the conference. They promised to keep the bank 'informed of our discussions with the key actors in the region', as they 'trust[ed] these discussions might in the near future allow us to support such a visit by you to our lovely, but strife-torn, city' (*ibid*.). As much as the bank may have been shaping the ANC's economic policies, the ANC was also strengthening its position by, to some extent, guiding the bank's engagement in the country.

An analysis of World Bank publications and internal memos on the institution's work in South Africa during the transition reveals the approach to economic policy it prescribed for the ANC government-in-waiting. Stephen Mayo pushed the bank's 'enabling framework' in his 1993 paper on housing policy reform. The paper draws on work done in the early 1990s in South Africa as part of a joint programme of the United Nations Centre for Human Settlements and the World Bank (the Housing Indicators Programme), as well as part of several World Bank missions to the country. Mayo writes:

> An appropriate overall framework for housing policy in South Africa could be the 'enabling framework'. ... Within such a framework, the role of government is an important one, though one primarily of enabling and facilitating the activities of the private sector – individuals, businesses, and community based organizations – to provide and maintain housing. In South Africa, the key elements of such an approach involve action on three broad fronts: (1) stimulating the demand for housing, (2) facilitating housing supply, and (3) creating an appropriate institutional framework for the management of the housing sector. (Mayo 1993, p. 7)

Internal World Bank office memos and aide memoires dated 23 February and 6 April 1993 spell out the 'enabling framework' for South Africa in more depth. The 23 February memo, authored by Kyu Sik Lee and based on a five-member Urban Economic Mission to South Africa during 23 January–13 February, stresses the importance of moving away from 'supply-side' models of service delivery towards 'demand-side' ones. These would aim to jumpstart the market for housing, electricity, and other utilities by providing 'the urban poor' with one-time vouchers, which could be 'cashed in' for such services. The rationale was that supply-side approaches, in which the government would build houses and provide services, might prove wasteful – houses might be built in areas where people do not want to live, etc. A demand-driven approach would help the government and private companies better understand the will of consumers, and allow the market to work most efficiently. The memo continues: 'An additional feature of a cost recovery voucher would be that after it is initiated, there would be no financial justification for boycotts of tariff or tax payments' (Lee 1993, para. 38, see also Ahmad 1993). Given that non-payment of taxes and utility fees in black townships was used to protest the apartheid government, this feature aimed at pre-empting such forms of protest. The memo recommends the privatisation of utilities and the implementation of user fees and full cost-recovery mechanisms: 'Infrastructure that may be financed fully by user charges (e.g. tariffs for electricity, water supply and sanitation) should be reformed as independently managed and financially autonomous utilities, thus removing this type of infrastructure from the fiscal balance issue' (Lee 1993, para. 19).

In November 1993, just months before the national elections which would bring Nelson Mandela and the ANC to power, the ANC's acceptance of the World Bank's economic recommendations was solidified when the party entered into a secret US$850-million loan agreement with the International Monetary Fund. The statement of intent attached to the loan expressed an acceptance of World Bank recommendations and would be fulfilled with the rapid introduction of neoliberal policies from 1996 onward. As William Gumede writes:

> The secret letter of intent that accompanied the loan pointed out the dangers of increases in real wages in the private and public sector, stressed the importance of controlling inflation, promised monetary targeting, and trade and industrial liberalisation, and argued in favor of the virtues of market forces over regulatory interventions. (Gumede 2005, p. 77, see also Marais 2001, p. 134)

Such policies would involve a very specific role for the state as an 'enabler' of market forces – instead of the direct redistributor of resources for which most South Africans oppressed by apartheid had long struggled and hoped. Such a policy direction would require the right kind of post-apartheid citizen – initially, the poor were meant to understand themselves as new 'consumers', equipped with vouchers to buy housing, land and utilities on the market. Within a few years, cost-recovery measures (without direct voucher assistance for utilities) became the norm. The 1998 White Paper on local government highlighted tough measures for implementing cost recovery, and the deputy director-general of the Department of Constitutional Development, Chippy Olver, stated: 'Where residents fail to meet their obligations in terms of service payments and rates, they will be cut off and prosecuted. Only in this way can we build a local democracy that works' (cited in Ruiters 2006, p. 294). Inculcating a 'culture of payment' was suddenly at the heart of local democracy. Municipalities implemented 'credit control' measures and cut millions of families off of water and electricity between 1998 and 2000 (McDonald and Pape 2002). As Greg Ruiters of the Municipal Services Project writes:

> By 2000, threats to law and order through illegal reconnections (theft of water and electricity) were managed by the state often using private security companies to whom law and order actions such as cutting water, removing infrastructure, and carrying out evictions were outsourced. (Ruiters 2006, p. 294)

A series of social movements arose at this time, with several directly targeting the government's push towards privatisation of services. With little success at cost recovery, widespread illegal connections, and growing political unrest – and with municipal elections just around the corner – the South African government pledged in December 2000 to give all households a free ration of basic services (*ibid*.). However, as discussed earlier, in the case of water this free ration was soon accompanied by even harsher cost recovery in the form of prepaid meters.

The World Bank has hailed its ongoing work in South Africa as 'a unique opportunity to pilot our evolving role as a "knowledge bank"', strengthening the role of the private sector and cost-recovery mechanisms to an extent unheard of in most other countries (World Bank 1999, Foreword). In the early and mid 2000s, former President Thabo Mbeki relied heavily upon classic World Bank conceptions of urban poverty to justify prioritising a business-friendly atmosphere over direct government investments in the poor majority. While the dual economy thesis has been discredited by social scientists and activists who point to the fact that the 'two economies' actually represent a unified economic process,[12] Mbeki relied on this thesis. In mid 2003, he began speaking of 'two economies' co-existing within South Africa's borders. Though some hailed this as a step forward, arguing that it indicated a renewed commitment to addressing the needs of the country's poor, it soon became evident that this constituted a way to leave certain divisions unaltered and to justify a lack of fundamental change in wealth ownership within the 'first economy'. Rather than focusing attention and resources on the 'second economy' directly, Mbeki argued that investments and gains in the 'first economy' would eventually translate into benefits for the 'second economy'. As he stated in his February 2004 State of the Nation address:

> We must continue to focus on the growth, development and modernization of the First Economy, to generate the resources without which it will not be possible to confront the challenges of the Second Economy. This is going to require further and significant infrastructure investments, skills development, scientific and technological research, development and expansion of the knowledge economy, growth and modernization of the manufacturing and service sectors, deeper penetration of the global markets by our products, increasing our savings levels, black economic empowerment and the further expansion of small and medium enterprises. (Mbeki 2004 in Greenberg 2004, p. 2)

Mbeki's comments are resonant with earlier conceptions about the divide between the formal and informal 'sectors' (as highlighted in McNamara's 1975 speech on urban poverty). Despite the theory's dismissal among many academics, it remained a favourite trope of the World Bank. In the World Bank's 2003 country strategy paper for Senegal (the site of the first urban assistance experiment), for instance, the authors write:

> Senegal is two nations. One is approaching middle-income levels. It has access to middle class levels of education, public services, health care, housing, financial services, social protection, and urban amenities. The other – larger – nation exists near or below the poverty line. It is rural or lives in urban slums and is ill fed, ill clothed, ill housed, insecure, and uneducated. (World Bank 2003 in Cohen 2007, p. 154)

A bifurcated conception of 'two economies' or 'two nations' existing alongside each other – but only interacting with each other in a 'trickle-down' manner, never an exploitative one – has helped to justify market-based approaches with little role for direct government intervention to assist the poorest of its citizens.

Notions of rights, the role of the state, and the appropriate form of political claim-making represent key points of contention in the post-apartheid order. Despite its bold language on socio-economic rights, the country's constitution enshrined only a minimal role for the government in providing access to housing, health care, food, water and social security. These are all included in the bill of rights, but it is immediately added that provision of such rights depends on the state's financial and administrative capacity. (The right of children to adequate shelter in section 28(1)(c) of the constitution has no such limitation, however, and it was on this basis that squatters won government-provided alternative shelter upon eviction in the landmark Grootboom case in 2000) (*Government and Others* v. *Grootboom and Others* 2000). As the Constitutional Court's decision on the right to water reveals, the government need only partner with the private sector to install a prepaid meter – whether or not Soweto residents can afford to keep them on is not of concern. Phiri residents and the Coalition Against Water Privatisation had hoped that the constitution would bear out a more active role for the state in ensuring real access to basic services. They brought the case out of a hope that South Africans were not just customers, but citizens whose rights must be ensured by the state, not the market.

Although the ANC's policy decisions are attributable to a number of factors, many of which are outside the scope of this paper, the World Bank played a fundamental role in ensuring that private-sector-led shelter and service provision were of central focus. The bank's trial-and-error attempts to frame the relationship between states, markets, and citizens as one of government 'enablement' of the private sector throughout the 1970s and 1980s were crucial in devising an urban policy framework for post-apartheid South Africa. As evidenced by bank mission reports, one element that the bank consistently underestimated was the difficulty of implementing cost recovery in light of socio-political concerns. Indeed, as the South African government has piloted ever more extensive cost-recovery measures, the political reaction from its citizens – many of whom refuse to be customers in this way – has been explosive. South Africa is therefore an important case in terms of the political fallout of the bank's 'enabling approach' for governments, as activists continue to fight to redefine the relationship between the post-apartheid state and its citizens.

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## Note on contributor

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## Notes

1. The Cohen Archives are located in the New School University's Graduate Program in International Affairs office (New York City). Cohen joined the faculty at the New School in 2001, and brought his personal archive of published and unpublished World Bank materials, including reports, conference proceedings, budget documents, staff reviews and correspondence. He has made the material available for research purposes. During his tenure at the World Bank, he worked in over 50 countries and was responsible for much of the bank's urban policy development between 1972 and 1999. From 1994–98, he served as the senior advisor to the bank's vice-president for Environmentally Sustainable Development. Cohen has published widely on urban policy and economic development.

2. Witness, for example, the United States and European Union – staunch proponents of free trade – sustaining their dominance in global agricultural markets through subsidies to their own farmers.
3. As John Campbell put it in his study of the bank's urban shelter projects in East Africa, 'Bank projects appear to have called forth, if not a proliferation, then an expansion of bureaucracy as new and more complicated regulations are required to administer the scale and type of projects it sponsors. The result has been to reinforce the power and patronage of the state over the poor' (Campbell 1990, p. 213).
4. Since housing policies varied widely among African governments, generalisations such as these are only marginally useful. Individual countries and regions have their own rich literatures, which it is outside the scope of this paper to explore. For case studies on the housing markets of Nigeria, Egypt, Tunisia, Tanzania, Kenya, Malawi and Zimbabwe, see chapters in Amis and Lloyd (1990) (see also Murray and Myers (2006), Morrison and Gutkind (1982)).
5. Subsequent research and analysis from the early 1990s onward, such as that of Alejandro Portes and Kate Meagher, has demanded a reformulation of Hart's question and approach, arguing that it is misguided to try to measure the 'autonomous capacity' of informal activity that is, in fact, deeply bound up with 'formal' activity. Meagher's work further reveals the error in viewing informal activity as a 'sector', instead defining *informalisation* as a social and historical process. Revisiting the term just after the end of the Cold War, Hart himself was deeply sceptical of its usefulness and its popularity among academics and development practitioners, calling it a 'neologism [that] reflected the cold war ideology of a frozen opposition between the state and the market' and arguing that 'its popularity was indicative of the blindness of academics and policy-makers to real conditions and historical trends in Africa' (Hart 1992, p. 216). Nonetheless, this idea was popular with the bank in the early 1970s and remains so (see Meagher 1995, Portes 1994, Hart 1992).
6. For more on Turner's influence, see Werlin (1999). Werlin worked on urban projects at the World Bank, and years of observing the impact of Turner's ideas would lead him to conclude 'that the "minimal state" advocated by Turner can deal with the problems typically encountered in slum upgrading is a dangerous illusion' (*ibid*., p. 1526).
7. For more on Bank staff's perceptions of the shifts under McNamara, see Mattingly *et al*. 1984, p. 4.
8. McNamara is quoted, for example, in World Bank Managing Director Sven Sandstrom's 1992 address, 'Making urban assistance more effective' (Sandstrom 1992). Address to the 20th Anniversary of World Bank Urban Assistance, Washington, DC, 23 June. Box: Africa Urban – Eastern and Central, Cohen Archive, Department of International Affairs, New School University, New York.
9. These were divided into first- and second-generation projects, namely Botswana I (initiated April 1974), Tanzania I (July 1974), Zambia I (July 1974), Kenya I (April 1975), Tanzania II (July 1977), Kenya II (April 1978), and Botswana II (May 1978).
10. They made the following projection: 'The Bank is expected to more than double its urban lending by fiscal year 1993, by which time it will reach $3.5 billion. Over the five-year period 1991–95, the Bank is expected to fund approximately 150 urban projects, for a total value of $15 billion. This compares to about 180 urban project loans from 1972 through 1989, and will represent an increase in the urban portfolio from 5 to 9 per cent of total lending' (*ibid*, p. 11).
11. As the bank's urban sector reconnaissance mission to South Africa stated in a May 1991 aide memoire, 'It appears that many parties envisage a top-down approach, in which "standards" are decided upon and services meeting those standards provided to people. Experience in other countries at similar levels of development have shown that such approaches inevitably fail' (World Bank Mission 1991, p. 11).
12. This shift away from the dual economy thesis in favour of thinking about unified economic processes is similar to the work of scholars who have attempted to replace the formal/informal sector dichotomy with analyses of 'processes of informalisation' (see e.g. Meagher 1995).

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# EDITORIAL

## The economic is political and the political is economic: protest, change, and continuity in contemporary Africa

On 16 August 2012, 34 workers from a Lonmin-owned platinum mine in Marikana, South Africa, were shot dead by police while participating in a wildcat strike. A month later, workers returned to work after accepting a 22% pay increase and one-off payment of ZAR2000 following 'successful' negotiations between the mine's management, trade union officials, and delegates of striking employees. However, this agreement does *not* mark the end of South Africans' struggles for higher wages, better working and living conditions, and socio-economic and punitive justice. On the contrary, since returning to work, mineworkers in Marikana have demanded justice for their dead colleagues and better living conditions, while wildcat strikes continue to trouble the country's extensive mining sector.

The Marikana strike and 'massacre' is also just one example – albeit the most deadly – of nationwide protests that have come to characterise the daily lives of working class, non-working class, and under-employed South Africans. Thus, according to Peter Alexander:

> during the last three years, 2009–12, there has been an average of 2.9 unrest incidents per day. This is an increase of 40 percent over the average of 2.1 unrest incidents per day recorded for 2004–09. The statistics show that what has been called the Rebellion of the Poor has intensified over the past three years. (International Labour Research and Information Group 2012)

So far this rebellion has largely focused on 'economic' issues. However, as Maha Abdelrahman reminds us in this issue – and in the context of Egypt's recent revolution – an 'understanding of economic struggles as separate from, and even in contradistinction to, political struggles is falsely conceived' due to the interconnectedness between economic and political relations (and distributions) of wealth and power. Similarly, South Africa's 'Rebellion of the Poor' is inherently political and stands as a protest against the African National Congress (ANC) government's failure to provide basic services and a decent standard of living, which could have significant political ramifications for the country's future. In this context, the fact that the worst incident of police violence since the end of apartheid took place in the face of strikes in the platinum sector is particularly significant given that this industry initially 'occupied a special place in the ANC's transformation strategy' (Capps 2012, p. 323), but one where the 'logic of bourgeois reform' nevertheless came to trump the government's commitment to 'social justice' (*ibid*., p. 330). In short, the platinum industry provides an important window onto a post-apartheid reality in which earlier struggles have been reduced to a political transition and economic continuity, with consequent frustration sparking new protests against the political and economic status quo.

This reality raises a number of important questions regarding the legitimacy of Jacob Zuma's presidency, the ANC government, and affiliated trade unions; the aims, objectives and failings of economic planning and development in South Africa; the extent to which the post-apartheid state differs from the apartheid regime in terms of the levels and forms of

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inclusion and exclusion, and means of state control; and the lessons that South Africa can learn (and has not learnt) from post-independence histories of other African states, and the lessons that other countries can in turn learn (and are not learning) from the continent's political and economic powerhouse. Perhaps most importantly, this reality – especially when taken together with the 'Arab Spring' and its aftermath – also raises questions about the ways in which elite interests diminish revolutionary struggles to a change of political leadership, and to the opportunities that current unrest and burgeoning demands for an organised and militant movement against dominant capitalist and neoliberal interests and agendas may nevertheless provide for a future dispensation that explicitly accepts the interconnectedness between the economic and political and thus the need for a radical overhaul of both systems.

This issue of the *Review of African Political Economy* explores some of the conditions that have generated increased worker unrest in South Africa. It also provides a timely reminder of the interconnectedness between the political and economic, and particularly of how economic unrest is political and how vested political interests generally seek to limit changes to an economic system that underwrites their power.

First, papers by Ben Fine, Alex Beresford, and Amanda Alexander all provide the kind of detailed and critical analysis of South Africa's political economy that is required for a full and nuanced understanding of the 'Marikana massacre' and broader socio-economic reality of popular unrest, state repression, political and economic continuity, and burgeoning demands for more substantive change.

Ben Fine's paper sets the scene at the macro level by detailing how one important policy document – the New Growth Path – has emphasised the need for trade unionists to make sacrifices to enable the government to alleviate poverty at the lower levels. Fine shows how this recommended 'trade-off' ignores inefficiencies, constraints, and unutilised capacity within the nation's economy, but also how it fails to address the key determining features of South Africa's political economy; namely, 'the (international) financialisation of (domestic) conglomerate capital especially associated with (illegal) capital flight, the complicity of a newly formed black elite, and the continuing reliance upon how these interact with South Africa's longstanding minerals–energy complex (MEC)'. For Fine, the failure to address these issues can help explain how post-apartheid planning and development has failed to tackle inequality and poverty. In turn, what remains absent from South Africa's economic planning – and what can also help explain a burgeoning sense of abandonment among the working and non-working classes and high levels of social unrest – is a 'commitment to secure long-term finance for investment in labour-intensive domestic production to meet domestic consumption of basic needs, thereby creating jobs, alleviating unemployment and addressing the backlog of provision and inequality inherited from apartheid.'

In turn, Alex Beresford's paper on organised labour and South Africa's National Union of Mineworkers (NUM) provides a detailed analysis of how a change in membership to increasingly skilled, higher-level workers has led to the erosion of a coherent class identity, 'fuelled mistrust and suspicion between regular members and union leaders', and undermined the NUM's ability to represent workers' interests and control the means by which demands are made. These are problems, which as Beresford notes, have been brought to international attention by recent strikes and formation of the Association of Mining and Construction Union (AMCU), which 'could prove to be a watershed moment for NUM', as the union either adapts to renewed radicalism amongst its constituents or faces displacement by more radical actors.

In addition to highlighting the ANC's protection of capitalist interests and distance between union leadership and the rank and file, wildcat strikes have also brought attention to the extreme levels of poverty that led workers to risk everything – their livelihoods and lives – by participating in illegal and violent protests. In this context, Amanda Alexander's analysis of how the South African state, encouraged by the World Bank, withdrew from providing and supporting basic housing, and instead sought to become an 'enabler of market forces', is critical to understanding how so many South Africans have come to live in squatter camps without basic services, as decades of informal settlement upgrading projects and efforts to provide affordable private housing led to a situation where decent housing is unaffordable to the poorest, who are instead forced to living in shacks without basic amenities.

The fact that 'economic' protests in South Africa are inherently political in that they offer a critique of power relations and distribution of resources, and that they also offer an opportunity – albeit an uncertain one – of more revolutionary reform in the future, is drawn out in a comparative setting in Maha Abdelrahman's timely discussion of Egypt's revolution. Abdelrahman reveals how – in the decade of protests that preceded Mubarak's downfall in February 2011 – struggles for economic and political struggles were inextricably linked, and how the country's new ruling elite, in an 'unsurprisingly familiar' manner, has sought to accentuate 'differences between "political" and "economic" activisms' by casting the latter as extraneous to the revolution and as a threat to its success in an effort to reduce the revolutionary process to a transition to democracy. Finally, however, Abdelrahman highlights how revolutionary pressures remain, with the country's future characterised by uncertainty as the path to continuity and repression or change and upheaval remain only partially paved. In addition to providing a timely overview of the Egyptian context, Abdelrahman's analysis also offers strong parallels with anti-apartheid, nationalist, and pro-democracy struggles across the continent. In turn, her analysis raises a challenge to activists who seek a different economic and political order in any context to reconnect the economic and political in ways that might bring about a more substantive and radical overhaul of the status quo than neoliberalism twinned with occasional elections.

The final paper looks to Kenya and outlines the way in which financial rewards have become the main motivation for the country's elite female runners – the emphasis on an individual's need to secure economic success for themselves, their families, and their communities, providing an important commentary on the failings of the postcolonial Kenyan state. Thus, while Jarvie and Sikes outline the way in which athletic success can bring substantial rewards to particular individuals that can be associated with some trickle-down through local investments and philanthropy, they also recognise that 'sport is but a microcosm of the broader political economy context'. Unfortunately, in the Kenyan context, the motivation to run for money stems from high levels of poverty and limited alternatives for economic advancement, which offers an implicit critique of Kenyan politics and international development efforts. Moreover, at the global level, a motivation to run for money can have counterproductive impacts as witnessed during the 2012 London Olympics, where the failure of Kenya's runners to meet national expectations has been closely associated with a range of political economic factors from poor management and a flawed selection process to a sense that runners were insufficiently focused on the Olympics as just one financial opportunity among many. Thus, once again, the economic is revealed to be political, and the political economic.

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# OBITUARY

## The legacy of Meles Zenawi

I recently obtained a somewhat grainy, black and white photograph dated 14 December 1935. It shows a long line of men, walking down a dusty street in Addis Ababa. It is entitled '"The sinews of war": rich merchants bring bags of money to finance the Emperor Haile Selassie's doomed attempt to halt the Italian invasion'. As the caption indicates, the money is carried by slaves. Mentioning Ethiopian slavery at the start of an assessment of the late Prime Minister Meles Zenawi may seem a little odd, but it is pertinent to recall just how far and how fast Ethiopia has been transformed.[1]

The death of Meles Zenawi in a Belgian hospital was announced on 21 August 2012. This was less than four decades after the Derg toppled Haile Selassie in September 1974. Appalling suffering followed, with the Red Terror, the famines and Ethiopia's wars in Eritrea and Somalia, yet Ethiopian society has changed almost beyond recognition. In the past 40 years Ethiopia has been transformed from a stagnant, ossified society dominated by the nobility and the church into a modern developmental state. It registered gross domestic product growth of 8.8% a year between 2000 and 2010.[2] Any assessment of the part played by Prime Minister Meles; revolutionary, statesman and autocrat, must acknowledge his role in this extraordinary transformation.

This article focuses on three main elements: ethnic federalism, which was central to Meles's rule, the development strategies that he pursued and the foreign policy that was the bedrock of his Western support. This is not a biography of the former leader. Others have chronicled his role in the leadership of the Tigray People's Liberation Party (TPLF), the founding of the Marxist-Leninist League of Tigray (the core party that controlled the TPLF) and the adoption of a hardline ideology that looked to Albania as a model (see Young 1997, 134 ff.). It will suffice to say that he was a towering intellect, who was generous with his time for foreign reporters, like myself, while remote from his own population.[3] Unlike the emperor, who had a reputation for driving through the streets of Addis Ababa, receiving the petitions of his subjects, Meles Zenawi was remote and austere. He was seldom seen in public except on official occasions.

### Ethnic federalism

Ethiopia, with its 93 million people, is a nation of minorities (Central Intelligence Agency 2012). The largest – the Oromo – are officially 34.5% of the population. They are followed by the Amhara (26.9%) and Somali (6.2%). The Tigray people are the fourth largest minority, with just 6.1% of the population.

The question that has been central to Ethiopian concerns for more than a century has been how its 80 or so ethnic groups should live together. There were three attempts to resolve this issue. The first, introduced by Emperor Menelik (1889–1913) and elaborated under Haile Selassie (1930–1974), attempted to create a unitary state on the basis of cultural assimilation. This entailed using Amharic as the sole language of instruction and public discourse and Orthodox Christianity as the core culture of Ethiopian national identity

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(Habtu 2003, p. 10). The second, led by the Derg, established an Institute for the Study of Nationalities in 1983, in an attempt to find a Marxist-Leninist answer to the question of ethnicity within a unitary state (*ibid.*, p. 11). The third – and current – attempt to resolve the issue was introduced by the TPLF, which came to support a unitary state, in which ethnic nationalism based on language and cultural diversity was combined with powerful centralised control.

The TPLF itself grew out of a desire to fight the poverty, lack of investment and denigration of the people of Tigray, who saw themselves as marginalised by Amhara chauvinism. It began as a nationalist organisation – its 1976 manifesto calling for the 'establishment of an Independent democratic republic of Tigray' (Young 1997, p. 99). This was soon dropped and the TPLF began considering what form of state would allow a small nationality like its own to transform a multi-ethnic nation state of the size and complexity of Ethiopia. By 1981 the movement was talking of a '*voluntary* integration of nationalities whose relations are based on equality and mutual advantages' (Young 1997, p. 100; emphasis in original).

Just how important this was for the TPLF can be seen from its fraught but vital relationship with its some-time Eritrean allies in the Eritrean People's Liberation Front (EPLF). Although the Eritreans had provided early assistance to the TPLF in the mid 1970s, the relationship turned sour. By the mid 1980s these differences culminated in a public exchange of insults – with the EPLF defined as 'social imperialist' by the TPLF. The EPLF in turn labelled the TPLF 'childish'. This masked a serious theoretical difference with major political ramifications for the national question in Ethiopia (Duffield and Prendergast 1994, p. 100).

The issue was originally whether or not self-determination should be allowed up to, and including, secession. The TPLF recognised Eritrea's unique status as a former colonial state. But they also came to promote the right to secession of the various nationalities within Ethiopia and – far more controversially – of those within Eritrea as well. During its exchange of polemics with the EPLF in 1986–87, the TPLF even stated that 'a truly democratic' Eritrea would have to respect 'the right of its own nationalities up to and including secession' (*People's Voice* 1986, p. 12).

This infuriated and appalled the EPLF, who argued that it was precisely because they were a former colonial state that they had the right to independence. Its response was to argue that Ethiopian nationalities had a right to self-determination, but not to independence, as this was conditional on a colonial experience (*Adulis* 1985). The EPLF was very aware that any widening of the definition of self-determination to include independence would detract from Eritrea's special status, as a colonially defined territory. Moreover, giving Eritrean nationalities rights to secede would also jeopardise the future cohesion of Eritrea, not least because both the Tigrayan and Afar peoples live on both sides of the border.

The TPLF argued that the EPLF's refusal to recognise the right of its own nationalities to secede was an example of its undemocratic nature. For this reason the TPLF came to regard its relationship with the EPLF as tactical, rather than enduring, and made links with other Eritrean groups. According to EPLF documents, the TPLF's flirtation with other movements came as a surprise and a disappointment and led to a rupture in their alliance.[4]

The EPLF decided to teach the TPLF a brutal lesson. In June 1985, at the height of the famine that was devastating the Horn of Africa, the EPLF cut the TPLF's supply lines to Sudan. They did this by closing the road that passed through Eritrea, thereby denying the Tigrayan people access to food aid at a crucial juncture. It was a drastic measure indeed. Although nothing was said in public at the time, it is not hard to imagine the animosity that this generated. The TPLF responded with characteristic efficiency, mobilising 100,000 peasants to drive an alternative route through to Sudan that did not go via Eritrea.

While the EPLF leadership has refused to speak about these events, Tigrayans remember it with great bitterness. As one put it: 'the EPLF behaviour was a savage act . . . I do not hesitate to categorise it as a "savage act". It must be recorded in history like that!'[5]

Despite this rupture the imperatives of war continued to drive both movements back into each other's arms. By 1987 both fronts had won considerable military victories, but further advances required co-operation. In April 1988, after four days of discussions in Khartoum, a joint statement was issued, indicating that their differences had been overcome. It was at this time that the Tigrayans suggested that the border should be demarcated. The Eritreans persuaded them to postpone this until after the defeat of the Ethiopian regime. It was to prove to be a crucial mistake. Yet at the time it seemed insignificant, and from then until the overthrow of the Derg, the TPLF and EPLF were allies once more.

Military co-operation led to military success. When the Eritreans finally took Asmara in May 1991 the TPLF marched into Addis Ababa, supported by EPLF armoured units. The movements had forged strong bonds. Differences remained, but there appeared every chance that these could be overcome, given the goodwill that existed. Agreements were made in 1991 and 1993 allowing for the free movement of labour, for Eritrea's use of Ethiopian currency, the birr, and for Ethiopian to use of the port of Assab to minimise the effects of its loss of a coastline.

By the time the TPLF came to power in May 1991 it had already decided how it would rule. In the late 1980s it organised a coalition of ethnically based organisations through which it would run the country: the Ethiopian Peoples Revolutionary Democratic Front or EPRDF. This is a brief, but accurate assessment of the Front: 'The EPRDF is a coalition of four ethnic parties (from the main regions: Oromia, Amhara, Tigray, and SNNPR) dominated by Prime Minister Meles Zenawi's Tigray People's Liberation Front (TPLF)' (Human Rights Watch 2010, p. 13).

Alongside these ethnically based political formations went individual ethnic identification. For some, particularly in the rural areas, this was not difficult, since they lived within their ethnic group. For townspeople this was often no easy task, since many families had either left their ethnic identities behind, or inter-married. Despite this, they were forced to assume an ethnicity some no longer believed in:

> The EPRDF reconfigured the empire-state to create nine ethnic-based territorial units, to the great dismay of many people, especially among the Amhara elite, the Staatsvolk (statebearing nationality) of Ethiopia. . .. During their everyday transactions with government offices, Ethiopian citizens are required to state their ethnic affiliation, 'correct' affiliation being one based on identification with one of the 84 officially given ethnic categories. 'Correct' identification itself is based on mother tongue or household language use or descent. The imposition of ascribed ethnic classification is a source of common complaint, among (de-ethnicized) urban folk who wish to self-identify as Ethiopian only and among those offspring who are from parents belonging to two different ethnic groups. (Habtu 2003, pp. 21–22)

From the time he came to power in May 1991 it was clear that Meles would brook no real opposition. The EPRDF governed for a brief period in alliance with the Oromo Liberation Front (OLF) (Latta 2004, p. 39). The unity did not last and by July 1991 the OLF and TPLF forces were involved in open confrontations, with the OLF leaving the government. Since then rights of Ethiopians have been increasingly restricted. Elections have been rigged, journalists jailed and opposition leaders driven into exile. Human Rights Watch concluded that:

> Except for a brief period during the 2005 general election, the government has severely restricted the rights to freedom of expression and association, arbitrarily detained political opponents, intimidated journalists, shuttered media outlets, and made independent human rights and elections monitoring practically impossible. Citizens are unable to speak freely, organize political activities, or challenge government policies without fear of reprisal. Key state institutions and representative bodies, such as parliament and woreda and kebele councils, have become politicized and fallen under the ruling party's control. (Human Rights Watch 2010, pp. 14–15)

Ethnic federalism was meant to free the Tigrayan people from the fear of Amhara domination. Instead it has left the TPLF leadership defensive and paranoid, suspecting every form of dissent of being the first sign of treason. They look fearfully at the outside world, believing (with some justification) that the well-endowed diaspora is plotting their overthrow. As one TPLF cadre is quoted as saying: 'We have stopped pretending democracy any more; this is a struggle for our survival' (Aalen and Tronvoll 2008, p. 120).

## The developmental state

This curtailment of freedom was no accident. In his lengthy presentation, entitled *African development: dead ends and new beginnings*, the prime minister argued passionately that agriculture had to be the driving force for development (See Zenawi, n.d.). 'We have shown that agriculture is and must be the engine of accelerated growth at least in the initial period of the process of development', he wrote. However, development would only succeed if it was not inhibited by what he described as 'patronage and rent-seeking'.

'Rent seekers' are the bête noire of the Ethiopian government. They are seen as cronies and crooks who use a variety of dubious means to extract profits from the wider underdeveloped society. 'Rent-seekers' thus defined make profits in three ways: through connections with officials; as importers/agents of a foreign company; or by hoarding consumer goods.[6]

While Meles indicated that democracy would be preferable, with parties contesting elections and replacing one another, he considered this was unlikely to produce the consensus necessary to allow the necessary to drive development (Zenawi, n.d.):

> Technically policy stability and continuity could be achieved even when parties regularly replace each other in governing the country. But this can be so only where such a solid consensus among politicians and the population on fundamental policy has been achieved and where politics is confined to dealing with trivialities and personalities. Such a situation is very unlikely to emerge in a developing country. In addition politics based on personalities can easily degenerate to patronage politics. The most likely scenario for a state that is both democratic and developmental to emerge is in the form of a dominant party or dominant coalition democracy.

For Meles the EPRDF represented just such a dominant coalition and was ideally suited to provide the 'solid consensus' he considered so essential to development. *African development: dead ends and new beginnings* was aimed at a Western audience. At home the prime minister was considerably more direct. He argued that party control was vital for development, which required what he defined as revolutionary democracy. In a statement redolent of George Orwell's *1984*, he declared: "When Revolutionary Democracy permeates the entire society, individuals will start to think alike and all persons will cease having their own independent outlook. In this order, individual thinking becomes simply part of collective thinking because the individual will not be in a position to reflect on concepts that have not been prescribed by Revolutionary Democracy."[7] Without this degree of control, Meles believed there was little chance of successfully transforming Ethiopia through rapid agricultural development, since the 'rent seeking' elite would undermine the process of accumulation.

The EPRDF had given priority to 'agricultural development-led industrialization' in its economic policy framework since the mid 1990s.[8] Yet the highlands from which the prime minister came seemed an unlikely engine for growth. Vast areas were denuded of vegetation, severely eroded and farms subdivided into tiny plots, worked by peasant farmers who still used rudimentary implements, including wooden ploughs. How could agriculture be revolutionized in these areas without disrupting the social fabric of the highlands – the core constituency of the TPLF?

The answer was twofold: carry out the agricultural revolution in other parts of Ethiopia, with the assistance of foreign capital. The results have been dramatic. The World Bank's 2011 report shows that of 406 large-scale (500 hectares or more) land projects agreed during the five years prior to December 2009, 23 involved foreign investors.[9] In a study for Chatham House, Jason Mosely goes on the point out that in so doing, the EPRDF concentrated its agricultural effort on areas of Ethiopia only included in the country in the past 100 years. These 'peripheral' territories are less politically sensitive than the highlands of Ethiopia. The complaints of the communities that are displaced in the process can be more easily contained or ignored – particularly if they are pastoralists. Among the foreign beneficiaries of these land allocations, Mosely highlights:

- 10,000 hectares allocated to the Saudi-Ethiopian billionaire, Mohammed Hussein Al-Amoudi to grow rice and other crops in Gambella.
- 54,000 hectares allocated to the Ethiopian government's own Tendaho Sugar Factory in the Awash area of the Afar region, to grow sugar cane.
- 40,000 hectares allocated for biofuel production to the Indian company, Emami Biotech, in Oromia.
- 54,000 hectares allocated to the Indian Shapooji Pallonji Group to produce biofuel in Benishangul Gumuz.
- 10,000 hectares allocated to the Indian company, White Fields Cotton, in the South Omo region.
- 100,000 hectares allocated to the Indian company, Karuturi Global, for rose and crop production in Gambella.

The cost to the communities involved in the redistribution of their lands to foreign investors has been and will be immense. Human Rights Watch has calculated that by 2013 the government plans to resettle 1.5 million people in four regions: Gambella, Afar, Somali, and Benishangul-Gumuz (Human Rights Watch 2012a, p. 2). Much of this displacement has been involuntary, with communities forcibly relocated from their villages, says Human Rights Watch.

This process has been replicated in the other major developmental driver initiated under Prime Minister Meles – the building of dams. Two of the largest dams in Africa were started while he was in office – the Gibe III dam on the Lower Omo river and the Grand Ethiopian Renaissance Dam on the Blue Nile, bordering on Sudan. The Gibe III was initially to be financed by the World Bank and European Investment Bank, but they pulled out, to be replaced by the Chinese (Human Rights Watch 2012b, p. 36). Again

Human Rights Watch catalogues forced removals of communities, who have been left in perilous conditions.

Meles Zenawi's attitude to the peoples of these remote and peripheral regions is summed up by a statement he made in 2011:

> In the coming five years there will be a very big irrigation project and related agricultural development in this zone. I promise you that, even though this area is known as backward in terms of civilization, it will become an example of rapid development. (Human Rights Watch 2012b, p. 30)

This attitude towards 'backward' areas can be contrasted with Meles's response to the needs of the people of his home region – Tigray. Here the TPLF has gone out of its way to develop the industrial base without resorting to the mass relocation of the population. This work has centred on the work of the Endowment Fund for the Rehabilitation of Tigray (EFFORT).[10] Founded in 1995, it brought under its auspices a number of companies established by high-ranking members of the TPLF. Its stated goals were to use its resources to benefit the people of Tigray and provide an income for the elderly, orphans and the families of TPLF fighters. Its companies were involved in the production of everything from cement to leather goods, but its most profitable venture was TransEthiopia. Using the fleet of trucks donated to the TPLF during the 1984–85 famine by aid agencies, it became the preferred provider of transport for donated grain provided annually to the country – most notably by the United States Agency for International Development (USAID). Its fleet of 458 trucks have cornered much of this lucrative market.

As an Ethiopian Ministry of Transport and Communication report accepted: 'New individual companies may be discouraged to enter the market because of the presence of share companies deriving from regional development associations . . . which could be potentially favoured for public tenders. There is a rather pervasive discouragement to owners operating independently.'[11]

The economic legacy of Meles Zenawi is complex. On the one hand Ethiopia has achieved some of the most rapid growth rates in Africa for a non-oil producing country. Addis Ababa is a boom town, with sparkling new buildings and rapid urbanization. There have been very substantial investments in the country's infrastructure – notably in dams, but also in roads and railways. On the other hand the peasant economy remains largely intact, while foreign investment has been drawn into the agricultural sector, but at a terrible cost to the lives of more than a million people who have been or will be displaced. All this has been achieved by keeping a tight rein on political freedoms and human rights, while giving privileged access to resources to the prime minister's core constituency in Tigray.

Certainly it will be for his economic legacy that Meles will wish to be remembered. In the early hours of 12 September 2007 Meles welcomed in the new millennium, according to Ethiopia's Ge'ez calendar, with this prophecy: 'A thousand years from now, when Ethiopians gather to welcome the fourth millennium, they shall say the eve of the third millennium was the beginning of the end of the dark ages in Ethiopia' (Ethiopian Press Agency, 19 September 2012).

## Foreign policy

Whatever doubts the United States, Britain and the rest of the Western world had about Meles's human rights record, he was an important ally in the Horn of Africa. Not surprisingly his death was marked with fulsome praise from both the White House and

10 Downing Street. President Obama said that the prime minister 'deserves recognition for his lifelong contribution to Ethiopia's development, particularly his unyielding commitment to Ethiopia's poor'.[12] The president went on to describe his gratitude for 'Prime Minister Meles's service for peace and security in Africa, his contributions to the African Union, and his voice for Africa on the world stage'. David Cameron reacted in much the same vein: 'Prime Minister Meles was an inspirational spokesman for Africa on global issues and provided leadership and vision on Somalia, Sudan and South Sudan'.[13]

London and Washington had lost a critical, if sometimes awkward, regional friend. The tone of the relationship was already established in March 1998, when President Clinton toured Africa, describing Meles as one of a 'new generation' of leaders, with whom the United States could do business. In August of that year the US embassies in Tanzania and Kenya were bombed with the loss of 223 lives by al-Qaeda supporters. The Horn of Africa became an important front in the US fight against Islamic fundamentalism – a status confirmed after the attack on New York and Washington on 11 September 2001. US forces were deployed to Camp Lemonnier in Djibouti as part of what was described as 'Operation Enduring Freedom – Horn of Africa.'

In the years that followed, relations between Addis Ababa and Washington grew in importance. The emergence of the Union of Islamic Courts in Somalia and then the growing strength of al-Shabaab, threatening to capture Mogadishu, were viewed with deep disquiet by both Ethiopian and the United States. In 2006 it became clear that Meles was considering sending forces into Somalia to end what he saw as a threat from Islamic fundamentalism. The United States attempted to dissuade him. This can be clearly discerned in a US embassy cable from Addis Ababa released by Wikileaks, dated 8 December 2006.

In five meetings with Prime Minister Meles and separate meetings with Foreign Minister Seyoum and ENDF Chief of Staff General Samora during the week of 27 November, the ambassador and US visitors, including General Abizaid and Senator Feingold, raised the need for Ethiopia to be cautious in taking any action in Somalia. General Abizaid articulated that Meles had time on his side and that a rush into conflict would yield immediate victories against 'technicals' (trucks mounted with machine-guns), but not enhance security for Ethiopia.

These efforts failed to restrain the Ethiopians and by 22 December Ethiopian troops were across the border and heading for Mogadishu. Once engaged, the United States supported Meles as best it could. This has, reportedly, included developing a military presence inside Ethiopia itself.[14]

If Meles's relations with the West were strong, his ties with the rest of the region were also generally amicable, with one notable exception: Eritrea. As indicated at the start of this article, the TPLF and EPLF had once been close allies as well as enemies. There was much that had united them in the fight to overthrow the Derg. In May 1993 Meles visited Asmara to celebrate the formal independence of Eritrea. In his speech he warned his hosts that if they were to forge a new relationship they should not 'scratch the wounds' of the past. His warning was timely, but it fell on deaf ears. As the years went by relations between Ethiopia and Eritrea deteriorated and on 6 May 1998 they were to be at war (for a discussion of the causes of the war, see Plaut 2004). The conflict was to cost at least 100,000 lives and was ended with the peace treaty signed in Algiers on 12 December 2000.

The treaty established a boundary commission to establish the border between the two countries – the issue that had, at least ostensibly, triggered the war. Both sides agreed to abide by its ruling. As Article 4, clause 15 put it: 'The parties agree that the delimitation and demarcation determinations of the Commission shall be final and binding.' The treaty was clear and unambiguous, yet when the commission delivered its ruling in April 2002 the Ethiopian government refused to implement its provisions, instead insisting on further talks.

Meles indicated, in an interview with the author, that he distinguished between the delimitation decision (which he said he accepted) and demarcation (which he insisted could not take place without further negotiations).[15] He said that any demarcation that cut villages in half would provoke another war and – as he put it – this would be jumping from the frying pan into the fire, something he was not prepared to do.

In January 2006, in a final attempt to end the stalemate, the US Assistant Secretary of State Jendayi Frazer decided to lead a high-level team to both Asmara and Addis Ababa. She said that her aim was to see the border situation for herself. In the event although Eritrea provided visas for her team, they refused to allow her to visit the border, and that leg of the mission was cancelled. Ms Frazer went instead to Ethiopia, and was taken from there to see the disputed frontier. She also held talks with Meles Zenawi.

In the end the obduracy of Eritrea played into Meles's hands. Asmara refused to give an inch, insisting instead that there was nothing to be discussed and that all that was required was for the border determination to be implemented. The international community, in need of Ethiopian support against al-Qaeda and fed up with Eritrea's intransigence, abandoned attempts to resolve the border issue. Eritrea hit back by supporting al-Shabaab's attacks on Somalia's Transitional Government in Mogadishu. It also aided Ogadeni and Oromo movements fighting the Ethiopian government. These attempts to undermine Meles were largely ineffective, but provoked the United Nations to impose increasingly stringent sanctions against Eritrea – the latest of which came into force in December 2011.[16]

## Conclusion

Meles Zenawi was a complex and contradictory figure, like almost any major international leader. He was a statesman of real stature, representing Africa with considerable skill at international forums, including the Africa Commission, established by Britain's Tony Blair. He was successful in bringing a considerable degree of internal peace to his country, even if this was disrupted by occasional attacks by movements representing other ethnic groups. Meles also played a major role in attracting international investment and development aid, which succeeded in placing Ethiopia on a developmental path.

However, he was no democrat. Meles acted against his enemies, both inside his own movement (the TPLF) and in the wider Ethiopian society with real ruthlessness. He established a form of ethnic nationalism that will have implications for his country for years to come. Ethiopia emerged from his rule as the most powerful military force in the Horn of Africa, with its military having played a considerable part in containing militant Islam both in Ethiopia and Somalia. Relations with Eritrea remain locked in a frozen conflict, with tens of thousands of troops along their mutual border, but relations with Ethiopia's other neighbours remain generally warm.

Barry Malone, former Reuters correspondent in Addis Ababa, recalls asking Meles in 2010 whether he ever imagined he would be in power for so much of his life (Malone 2012).'That was clearly not what I expected', he said, with a rare smile. 'It's happened. I don't regret it but I just hope that, at the end of it all, it will have been worth it.'

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## Notes

1. The Italian invaders made good use of the propaganda value of the issue – maintaining that they freed 420,000 slaves when they conquered the country. It was only in August 1942 that the emperor finally abolished passed Slavery (Abolition) Proclamation No. 22. See Goitom (2012).
2. World Bank, *Ethiopia at a glance*, 29 March 2012. For a description of Ethiopia before the overthrow of the emperor, see Halliday and Molyneux (1981, 62 ff.).
3. He took an MBA with the Open University in Britain, attaining some of the highest marks ever recorded, according to one of his tutors.
4. *EPLF Political Report and NDP*, March 1987, pp. 148–149. Quoted in Young (1996, p. 115).
5. Tekleweini Assefa, head of the Relief Society of Tigray, interviewed in Alemseged Abbay, *Identity jilted or re-imagining identity*? (Lawrenceville, NJ: Red Sea Press, 1998), p 129.
6. EPRDF, 'The development lines of revolutionary democracy'. Unofficial English translation of Chapter 3 of an Amharic original 'Revolutionary versus liberal democracy', Addis Ababa, 2001. Cited in Vaughan Gebremichael (2011).
7. Meles Zenawi, 'Perspectives and "Bonapartism"', in *The Gimgema papers*, 2001, cited in Human Rights Watch (2010, p. 14).
8. See Government of Ethiopia, *Growth and transformation plan, 2010–14*.
9. Jason Mosely, *Peace, bread and land: agricultural investments in Ethiopia and the Sudans* (London: Chatham House, 2012), p. 5. 'Of nearly 1.2 million ha involved, 607,000 were allocated to foreign investors. These projects were inventoried in only five of Ethiopia's nine administrative regions: Amhara; Benishangul Gumuz; Gambella; Oromia; and Southern Nations, Nationalities and Peoples Region (SNNPR)'.
10. This section of the paper is drawn from Vaughan and Gebremichael (2011).
11. Cited in Sarah Vaughan and Kjetil Tronvoll, *Ethiopia, SIDA report, Country Strategy 2003–2007*, March 2003, p. 56. Stockholm: SIDA.
12. White House Press statement, 21August 2012.
13. Statement from the office of the British Prime Minister, 21 August 2012.
14. 'The Air Force has been secretly flying armed Reaper drones on counterterrorism missions from a remote civilian airport in southern Ethiopia as part of a rapidly expanding US-led proxy war against an al-Qaeda affiliate in East Africa, US military officials said. The Air Force has invested millions of dollars to upgrade an airfield in Arba Minch, Ethiopia, where it has built a small annex to house a fleet of drones that can be equipped with Hellfire missiles and satellite-guided bombs. The Reapers began flying missions earlier this year over neighboring Somalia, where the United States and its allies in the region have been targeting al-Shabab, a militant Islamist group connected to al-Qaeda.' *Washington Post*, 27 October 2011. Available from: http://www.washingtonpost.com/world/national-security/us-drone-base-in-ethiopia-is-operational/2011/10/27/gIQAznKwMM_story.html [Accessed 31 October 2012].
15. Interview with author, September 2005.
16. UN News, 5 December 2011. Available from: http://www.un.org/apps/news/story.asp?NewsID=40628&Cr=eritrea&Cr1 [Accessed 30 October 2012].

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# DEBATE

## Land grabs, government, peasant and civil society activism in the Senegal River Valley

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Following the Briefing in the last issue of *ROAPE*, this Debates contribution again uses Senegalese evidence to explore the interests and actions of major participants in the struggle to transform African agriculture: government, national elites, peasants and their civil society allies. The first section examines government motivations in facilitating land grabs; the second reviews a seminal land grab case in the Senegal River Valley that illustrates the growing sophistication of the peasant pushback and the emergence of an anti-land grab coalition between civil society and peasant organisations.

### What's behind the perplexing willingness of African governments to transfer customarily held peasant land to foreign and national 'investors'?

The eagerness of African governments to lease their land to foreign entities interested in investing in large-scale commercial agriculture is an issue that demands attention. This section looks at three factors that have had an impact in Senegal: the drying up of foreign finance for government-directed agricultural investment, the government's attempt to use land to gain the allegiance of the elite, and the power of the 'California vision' of industrial agriculture.[1]

#### *Finance*

After the formation of the Organisation of the Petroleum Exporting Countries (OPEC) in the 1970s, the world financial system was flush with money. Many African countries found it incredibly easy to borrow for infrastructure projects. Senegal's foreign debt rose from 15.5% of gross domestic profit in 1970 to 99.5% in 1985 (Dembele 2003, pp. 15, 18). During that period Senegal invested over US$ 1 billion in massive dam and irrigation projects in the Senegal River Valley (Koopman 2007). Then, suddenly, the World Bank reversed course, reducing its agricultural sector loan portfolio from 30% of total funding in 1980 to a mere 6% in 2006. Bilateral funders followed suit, reducing agricultural loans from 19% of overseas development assistance in 1980 to only 3% in 2003 (Diagne 2011).

Starting in 1984, the World Bank initiated an increasingly invasive programme of structural adjustment forcing the dismantling of agricultural support agencies (Dembele 2003), often with disastrous results. This was evident in the Senegal River Valley, where the government's ability to continue constructing the much-needed irrigation schemes to replace the traditional flood recession agriculture was crippled (Crousse *et al*. 1991).

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Support systems that had helped farmers cope with the costs of the high-tech, highly expensive irrigated rice production systems were gradually weakened to the point that by 2003, most farmers had to give up producing rice. Families coped by sending their sons abroad in search of income (Lavigne Delville 1991).

Since the 2008 global food crisis, foreign funds have begun to trickle back into the agricultural sector, but there is a hitch: the 'big' money comes with conditions resembling those of the much-despised structural adjustment era. The US Millennium Challenge Corporation's US$500 million grants, for example, are conditioned on government acceptance of land tenure systems that take customarily owned land from peasant-pastoralist community control and make it into a commodity that can be sold or leased for 100 years to anyone who can 'invest' in it, including foreign agribusiness. This new aid scenario contains a veiled, but ominous threat made explicit by Olivier De Schutter, the United Nations Special Rapporteur on the Right to Food: 'the alternative that is sometimes presented to us [is] either you accept large-scale investments in agriculture, or you deprive yourselves of all investment whatsoever' (La Via Campesina 2012, p. 15). De Schutter suggests that countries try to channel investment into agricultural support systems that benefit family farmers – crop processing, storage facilities, and feeder roads – but these are rarely the types of investments that private investors seeking high profits want to make. Clearly it is not easy for governments to resist pressure from the World Bank and bilateral funders to make their economies friendlier to foreign investment, including investment in industrial agriculture.

How can African governments refuse foreign aid with unacceptable strings attached and still make the heavy investments in agriculture, energy, and transportation that their populations are demanding (Niang 2012)? Are there other sources of funding? Yes. Today, a growing number of Africans are becoming wealthy. But to mobilise privately held resources for public, rather than private investments in agriculture, government must tax richer Africans more effectively, curtail high-level corruption, and stem illegal capital flight. The Forum Civil – the Senegalese affiliate of Transparency International – estimates that US$900 million was illegally sent abroad under President Wade's government alone (Radio France International 2012a). Senegal's new president, Macky Sall, has begun a process to return and tax these monies and to punish high-level corruption, two moves that have proved highly popular.

### *The promotion of elite farming: internal land grabs under former President Wade*

In response to the global food price crisis of 2008, President Wade created GOANA, the Grand Agricultural Offensive for Food and Abundance. Touted as a massive programme to solve Senegal's food production problems, GOANA actually focused on getting top ministers, civil servants, businessmen, and rich emigrants to take up 'modern' commercial farming by giving them land and heavily subsidising their production costs. Since 2008, a huge number of land transfers have been approved by rural councils, the elected local bodies authorised to allocate land. During the Wade era (2000–2012), 16% of Senegal's arable land, over 400,000 hectares, was taken from local peasants and given to 'people who can invest in it' (Faye *et al.* 2011, p. 15, Sané 2012). Using a provision of the national land law of 1964 that stipulates that land cannot be alienated except where it has not been 'developed' (*mise en valeur*) – an ambiguous concept often interpreted as meaning investment in irrigation, machines, and buildings – the Wade government instructed rural councils to alienate land from peasant farmers and pastoralists, who by common knowledge lacked resources to 'develop' it, in order to allocate it to wealthy foreign or national 'investors', who, by definition, did. The president of the Diama Rural Council told land grab researchers: 'We cannot refuse to allocate land to private investors because it's the state that has demanded that we give land to those who can develop it' (Faye *et al.* 2011, p. 27).

In a now famous case in the Senegal River Delta, in 2009, the Mbane Rural Council allocated more land to top government leaders and other elites than the rural community actually had (Sidy 2011). The local outcry resulted in the opposition party's victory in Mbane's 2009 local elections. Yet when the newly elected rural council tried to annul the land allocations to government elites, President Wade countered with an administrative order that split the rural community itself and reinstated the rural council he favoured. Wade's fierce determination to protect his elite allies has created so much political and social tension that few of the new land holders in Mbane have tried to fence 'their' farms or to break ground, much less 'develop' the land (Sarr 2012). Meanwhile, Mbane's peasant population has gained support from Senegalese non-governmental organisations (NGOs) who have made a powerful video featuring the voices of the local population. In May 2012, the newly installed Macky Sall government rescinded Wade's administrative order that split the Mbane rural community and facilitated the land grabs. While this move has been hailed as 're-establishing justice', it is not yet clear how it will affect the land that national elites still claim (Fall 2012). Macky Sall's government has not yet provided a clear policy statement on how it will proceed in cases where land has been transferred to investors who 'have the capacity to develop it' but have not done so (Radio France International 2012b).

Pressure on the Sall government to rescind land grabs by the national elite is rising. Peasants and pastoralists who have lost their land, only to see it left idle, are increasingly angry and willing to take action. In a fascinating case, 12 peasants who lost their land when President Wade himself took 2070 hectares from 99 peasants five years ago, have directly challenged their dispossession. In February 2012, when Wade was still in power, they cut the fences to an uncultivated portion of the president's 'farm', telling the press that they planned to clear the land and plant their crops. All 12 were arrested and jailed for trespassing and destroying the property of another. They were released just before the presidential elections, but the charges have not been dropped (Thiam 2012, Agence de Presse Sénégalaise 2012a).

### *Buying loyalty: the seed and fertiliser scandals*

President Wade's Grand Offensive for Food and Abundance (GOANA) raised subsidies for seeds to 80%. In 2010, the government also distributed huge amounts of free seed to elite farmers – especially those with high government positions, with amounts ranging from three to 14 tons per person (Faye 2010)! The director of ISRA, the Senegalese Institute of Agricultural Research which produces certified seeds, justified these allocations by saying:

> Remember that the President of the Republic in launching GOANA in April 2008 required all ministers, deputies, senators, and directors of enterprises to farm at least 20 hectares to give a good example. Now we must verify if all those who received seeds actually have farms. (*Ibid*.)

The answer is, apparently not. According to Wade's own minister of agriculture, there was a massive diversion of subsidised seeds to the black market in 2010 (Ndiaye and Ngom 2010, Kane 2011b).

Indeed, the entire agricultural input subsidy programme has become extremely problematic. The diversion and misuse of subsidised inputs has grown to the point that Senegal's most important peasant federation, the *Conseil National de Concertation et de Coopération des Ruraux* (CNCR), has actually demanded that the government end its subsidy programme (CNCR interviews March 2011). This demand speaks to the incredible level of inequities in a programme that accounts for over half the total agricultural budget (Benkahla 2011). The Macky Sall government, while retaining the subsidies, has responded by trying to develop, in partnership with the World Bank, a system that will trace exactly who has received subsidised seeds and how many hectares each recipient has planted. There has not, however, been any government programme to replace expensive, petro-based chemical inputs by promoting agro-ecological agriculture. This may be, in part, due to the power of the California vision.

### *The California vision*

African elites have long equated modern agriculture with huge fields, tractors, hybrid seeds, fertilisers, and irrigation. From as early as the 1960s, the socialist government popularised its investments in dams and irrigation by saying they would make the Senegal River Valley into the California of the Sahel (Koopman 2007). The first Senegalese California vision was not, however, a vision of industrial agriculture. It was a modern, pump-based irrigation programme for African peasant farmers in the Senegal River Valley. As recounted in the previous Briefing, Senegal's expensive irrigation schemes were initially very popular. Unfortunately, when government support was gradually pruned away, the whole system slowly, but surely, imploded. Today, after 30 years of massive infrastructure investments, the Senegalese government has not been able to achieve high levels of sustainable output from a 'modern' irrigated rice sector without providing huge subsidies. I have argued that this is due to excessive inputs costs, with those who designed the petrol and input-dependent irrigation schemes getting the economics wrong.

Nonetheless, the California vision still lives. Former President Wade evoked it in December 2011 when he promised to make the Ile à Morphil, a fertile, but isolated and impoverished island in the Senegal River Delta, into the 'California of Senegal' (Kane 2011a). Moreover, Wade's vision was not of a California of small peasant farms, but of something that more closely resembled the real California with large fields and machines, but this time managed by foreigners. This is the California vision for which peasants are being asked to give up their land in exchange for wage work on large commercial farms.

What kind of jobs will these be?[2] Interviews that Iba Mar Faye and I conducted in March 2011 with farm workers on foreign-run vegetable farms in the Senegal River Valley found that the wage for field workers was less than US$4.00 a day, an amount that villagers said was not enough to purchase the food needed for a single meal for the typical family of 10 to 15 persons. Unsurprisingly, then, the push for industrial agriculture is fiercely resisted by Senegal's federation of peasant organisations, the CNCR. 'We refuse the attempt to turn us into agricultural labourers on our own land!' (Interviews with CNCR leaders, March 2011).[3]

At the same time that peasant leaders are fighting the threat of displacement by large-scale industrial agriculture, Macky Sall's new government is being insistently pushed toward it. The World Bank has recently loaned Senegal US$80 million to support private agro-business (Sy and Niasse 2012). AGRA, the Gates Foundation's Alliance for a Green Revolution in Africa, has provided US$ 3 million to train 120 researchers and doctoral candidates in agricultural economics so that they can 'contribute to a globally competitive agriculture' (Sane 2012).

## Peasant resistance

### *The case of Fanaye: a farmer-pastoralist community struggling against a land grab*

The story of the Fanaye community's struggle to save its land shows how farmers and pastoralists both have vital interests in pastures and forests that investors see as empty; how foreign investors and state agencies collude against local communities; how the highly emotional as well as economic issues of land loss can easily lead to violence; and how local opponents of land grabs attract attention and gain allies as they struggle to retain and protect their land. It also shows how wealthy national investors in a foreign-controlled project can mobilise to put pressure on even a reform-oriented government like Macky Sall's to support land grabs that local communities vehemently oppose.

The rural community of Fanaye is made up of 47 villages strung along 80 miles of the only highway on the Senegal side of the Senegal River. Senethanol, a biofuel company owned by an Italian investor, wanted to take over 20,000 hectares, a third of the Fanaye rural community's land. Before making its bid, Senethanol got support from a group of Senegalese investors who currently hold 49% of Senethanol's shares (Cadre de Réflexion et d'Action sur le Foncier au Sénégal/ CRAFS 2011).

An agreement between Senethanol and the president of the Fanaye Rural Council was signed on 30 March 2011. It stated that 300 hectares would be available to Senethanol a month later. The rest of the 20,000 hectares would be taken over between 2011 and 2015. Senethanol agreed to pay US$50 a hectare to the rural council and US$1.6 million for social investments that might include a school, a health centre, and a mosque (Protocole d'Accord 2011). In May, before any of the rural councillors, village chiefs, peasants or pastoralists, were notified about this agreement with Senethanol, a letter from the Minister of Decentralisation and Local Communities gave a favourable opinion on the 20,000 hectare land transfer (CRAFS 2011).

In June, the president of the rural council convened a meeting with only 24 hours notice. After a heated discussion, 23 rural councillors voted for the agreement with 21 against. Three were absent (Kane 2011c). The 47 village chiefs in the rural council area had not been informed of the meeting and were not present. Soon after the June meeting, people from the Fanaye community living in Dakar became alarmed about what they saw as a massive land grab. They formed a 'Committee for the Defence of Fanaye' and on 1 August they organised a large and peaceful protest march along the national highway that runs through Fanaye (Kane 2011c).

The Defence Committee also commissioned an investigation by CRAFS, a newly formed coalition of professional researchers, human rights activists, and representatives from Senegal's powerful peasant-pastoralist federation (CNCR), who sent a committee to Fanaye from 21 to 24 August 2011. The committee's findings illustrate a common disconnect between investors' perceptions and peasant/pastoralist lived realities. The technical director of Senethanol said that he had just toured the area and had received a favourable response to his proposed investment from nearly all those he interviewed. He also claimed that several young farmers said that the 20,000 hectares which Senethanol had been granted were 'unused'. The CRAFS committee, however, found classified forests, wetlands, and a rich flora and fauna in those 20,000 hectares, which, while not farmed, were used on a daily basis by hunters, by women gathering medicinal plants, firewood, and wild foods, and, most importantly, by Fanaye's pastoralists whose herds of cattle, sheep, goats, and horses are among the largest in the entire country (CRAFS 2011).

In early October, Senethanol began cutting down trees. Seeing this, a shocked young pastoralist attacked one of the Senethanol workers with his sabre. On 26 October 2011, an extremely violent confrontation broke out during a meeting of the rural council. Two people were killed and over 20 wounded (Kane 2011d). Two days later, the prime minister attempted to calm the situation by meeting in Dakar with people from Fanaye. Women and young people attended in great numbers. When the prime minister announced that the president would suspend the Senethanol project, people were not satisfied. They demanded that the project be abandoned (Agence de Presse Sénégalaise 2011).

In November, Senethanol's opponents took their case to the Supreme Court. It is unimaginable, they asserted, that by using the pretext of creating jobs, a bio-fuels project is implanted in a zone where people can barely nourish themselves. Agricultural workers get only 'slave wages', so young men from Fanaye will still have to migrate to find decent work. The project, by taking the community's land, also represents a danger to both future generations and current residents, especially to pastoralists whose livelihoods depend on the community's pastures, wetlands and forests. The court documents also pointed out that the proposed project location is in an area that had been designated a priority agro-pastoral zone under a community planning document called the Plan for the Occupation and Allocation of Land (POAS), adopted in 2006. The farmers and pastoralists who helped develop the POAS land use plan had been led to believe that it would protect their customary land rights (Ndiaye 2011).

On 22 November 2011, President Wade met with 50 Senethanol opponents from Fanaye. After hearing their report, he said that only now had he begun to understand that 'Senethanol had not followed his principles for investment' (Kane 2011e). Wade promised to suspend the project definitively.

One would think, therefore, that the battle was over. However, after President Wade lost the second round of the presidential election to Macky Sall in March 2012, the Senethanol project popped up again. In July 2012, President Sall suddenly asked his government to 'make an arrangement with the Senegalese–Italian company that conforms to the interests of Senegal' (Agence de Presse Sénégalaise 2012b). In August, a new site was announced for Senethanol's 20,000 hectare project in the special wildlife preserve of Ndiael, an area covering the villages of Gnith, Ronkh and Diama in the Senegal River Delta. There was an immediate outcry. Salif Ka, spokesperson for the youth of the three villages targeted, rejected the project in no uncertain terms. 'We don't have enough land for our own agriculture and livestock.... We want peace and we are not against investment, but we will protect our land. Whoever comes here will find us in his way ... ready to block, to our last breath, the installation of this project' (Diop2012a). A week later, on 9 August 2012, Enda-Pronat, a leading NGO in the anti-land grab struggle in Senegal, and Rencontre africaine pour la défense des droits de l'homme (RADDHO), a well-known human rights organisation, held a press conference to denounce 'the delocalization of the Fanaye project' (Agence de Presse Sénégalaise 2012e). Nonetheless, on 1 September, the government announced that the project would go ahead; there would, however, be extensive consultations with the communities about the content of the contract with Senethanol. Meanwhile the land clearing machines had already begun their work (Diop 2012b). Nevertheless, the local opposition to the proposed 20,000 hectare land grab did not let up. When the Senethanol project was allocated 10,000 hectares rather than 20,000 (Lo 2012), local residents said the project still encroached on their pastureland. On 1 November 2012, a large crowd gathered to protest the project, and the police used tear gas to disperse them (Agence de Presse Sénégalaise 2012d).

The fact that Macky Sall allowed the Senethanol project to be revived and relocated even in the face of local opposition suggests there are some very powerful people among the Senegalese who hold 49% of the Italian company's shares. The spokesperson for the new group of villagers opposing the Senethanol project alluded to these people when he said, 'there are a certain number of intermediaries who, for personal [*clientélistes*] reasons, want to facilitate the implantation of this project in a zone that they don't even know' (Diop 2012a).

### *Which way will the Macky Sall government ultimately go?*

In April 2012, Macky Sall won his presidential bid by a large margin. But since he had to form a large political coalition to win, and because Wade's profligate pre-election spending nearly drained the government coffers dry, President Sall has continued the long-standing tradition of using government funds to solidify his political power. He recently bought US$90,000 all-terrain vehicles for each of the 150 new parliamentarians – quite a perk on top of their US$4000 a month salaries (Diop G.N. 2012). On the other hand, in September he decided to abolish the 75-member senate and to used the funds saved to aid the victims of recent floods. This move was highly acclaimed.

During the campaign, candidate Sall made strong commitments to build rural roads, improve the electrical grid, extend rural water supplies, and build more irrigation schemes. As the new president begins to implement these promises, his government has a huge need for funds. Thus, we should not be surprised that President Sall is actively seeking foreign investment in agribusiness. This, of course, has implications not only for government policy, but also for land reform. Peasants want a land reform that will protect them from land grabs. The largest foreign funders – the World Bank, the United States and the European Union – want a land reform that will allow foreign investors to gain secure access to large areas of land. The Sall government is squarely in this camp.

The continuation of land grabs under the Macky Sall government raises the pressing issue of land reform. Current land law gives peasant communities little, if any, land security – a crucial issue in the face of the government's desire to reallocate their land to 'investors'. Recent press reports suggest that both peasant organisations and civil society are mobilising to put pressure on government to work with rural populations to craft a land reform that will give peasants and pastoralists land security (Agence de Presse Sénégalaise 2012e). These groups do not, however, have a unified set of demands. A critical unresolved problem is how to deal with centuries-old cultural norms that place decisions on land use in the hands of a class-based patriarchal gerontocracy. This makes the problem of securing the land rights of women, younger men, artisans, and people descended from slaves very difficult.

Land reform will undoubtedly be a big issue in the coming months and years, even though it may be an issue that the current government, like the Wade government, would prefer to put off. After all, as the late Ndiogou Fall, a tireless leader of the peasant federation, emphasised to me in a March 2011 interview, the current situation puts a great deal of power in the hands of the government as the sole legal 'owner' of peasant and pastoralist 'occupied' land. Still, the increasingly determined pushback from communities whose land is coveted by 'land grabbers', will surely push land reform into the queue of priorities the government simply cannot ignore.

## Conclusion

There is a new song in Senegal: 'Touche pas à ma terre' (Don't touch my land) (Diouf 2012). As more civil society organisations join the peasants and pastoralists struggling to keep their land, we can expect to hear that anthem at a growing number of anti-land grab demonstrations and marches, not only in Senegal, but throughout Francophone Africa.

Anti-land grab struggles in Senegal are part of a global uprising of peasants and pastoralists. In November 2011, 200 African, Asian and Latin American peasant farmers and pastoralists met for three days in the village of Nyeleni, Mali, to share their experiences of land-grabbing and to map out strategies for a united struggle against it (Coordination Nationale des Organisations Paysannes [CNOP]/Via Campesina 2011). The Nyeleni Declaration indicted governments for putting the interests of business above the rights of peoples. It criticised the World Bank and United Nations organisations for proposing a set of principles to legitimise land grabbing. And it condemned AGRA by name for trying 'to transform peasant agriculture into industrial agriculture and to integrate smallholder farmers into global value chains, processes that greatly increase their vulnerability to land loss' (Nyeleni Declaration 2011).

So, despite the power of the World Bank, the US government, the Gates Foundation, and collaborating African elites, peasant family farmers and pastoralists may have a good chance to save their land. The most important factor in this epic struggle is the increasing consciousness of the majority of the world's population – poor farmers – that they are facing a concerted global effort to take over their basic means of survival, and that they must act in the public arena if they are to win the battle to retain their land.

## Note on contributor

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## Notes

1. For information on government offers of land to foreign investors at 'rock bottom prices' see Oxfam (2011). For an analysis of the importance of 'weak democratic governance' in land deals, see Anseeuw *et al.* (2012).
2. For an excellent review of industrial agriculture issues from the perspective of labour, see Li (2011).
3. The CNCR rejected President Wade's version of land reform because it extended formal land rights to commercial farmers and foreign agribusiness but no formal land rights to peasant farmers and pastoralists (author's interviews with CNCR leaders, March 2011). CNCR's website is www.cncr.org.

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# DEBATE

## Sharpening the *Weapons of the weak*: a response to Carin Runciman

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James Scott's *Weapons of the weak: everyday forms of peasant resistance* has informed much scholarly work on peasant and, more broadly, subaltern resistance since it was first published more than 25 years ago. His main concern was to re-evaluate what constitutes resistance in a context where

> a great deal of the recent work on the peasantry – my own as well as that of others – concerns rebellions and revolutions . . . much attention has been devoted to organized, large-scale, protest movements that appear, if only momentarily, to pose a threat to the state. (Scott 1985, p. xv)

He further suggests that 'open collective protest is rare' (*ibid*., p. 241), and correctly lends legitimacy to the 'everyday forms of resistance' that peasants in Sadaka, a small village in South-East Asia, undertake on a daily basis in order to challenge the material and ideological basis of class domination by the powerful. It is through foot-dragging, pilfering, feigned ignorance, arson, slander, and sabotage, those acts of resistance which are not necessarily collective or public, he argues, that class struggle by peasants may be most effective in the long run at providing an alternative to the hegemonic framework of elites (Scott 1985).

Aiming to challenge my own interpretations of resistance in post-apartheid South Africa, Carin Runciman builds on Scott's analysis in order to argue that 'our conceptualization and understanding of resistance is often isolated from the understanding and interpretations which activists themselves hold' (Runciman 2012, p. 607). In so doing, she problematises the imposition of scholars' own values onto subaltern movements – something which I admittedly did in my article that she critiques. Paying particular attention to the organisational forms of the anti-capitalist umbrella body of the Anti-Privatisation Forum (APF), Runciman suggests that my own work was not ethnographic enough (*ibid.*, p. 613) since it does not consider 'the messy and often contradictory realities of social movement activism' as well as the limited resources that the poor have at their disposal.

Scott's emphasis was on class domination and class struggle by poor peasants in opposition to the rich. Runciman applies this theoretical framework produced out of poor peasants' struggles with the rich to largely urban struggles for service delivery in post-apartheid South Africa, which, I argued (Sinwell 2011a) are not in most instances about class struggle. Furthermore, as we are aware from various newspaper articles of frontline protests as well as scholarly reports (Von Holdt *et al.* 2011, Sinwell *et al.* 2009), open and collective protest, although it is far more rare than regularly weekly meetings for example, is in fact quite common in the post-apartheid context. The so-called 'weapons of the weak' that these movements employ are

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indeed collective and public and this is in stark contrast to the context in which Scott was writing.

While Runciman is correct to point out that we do indeed need to pay close attention to the realities and perceptions of activists in struggle, and that the APF did indeed contribute towards democratic alternatives in struggle, I was in fact taking this point very seriously in my own article by highlighting an instance where there was a disconnection between the political education and consciousness raising that happens within the APF umbrella and the practical programme that APF community-based affiliates struggle for on the ground. Underpinning the points I put across below is the idea that academics must not surrender the craft of critique, since this, when done in conversation with movements, can enable them to further their own objectives. The 'weapons of the weak' employed by the APF and its affiliates as well as other struggles across the country could be sharpened by linking socialist education programmes more sufficiently to actual local struggles – praxis. Acknowledging that these struggles in fact emerge from crises within capitalism is insufficient for advancing an anti-capitalist struggle since it does not provide a political and tactical alternative. We must uncover why it is that despite meaningful socialist education being undertaken by the umbrella APF with its affiliates, resistance may nevertheless take the form of competition amongst the poor rather than against the elite or power holders.

## Disaggregating the APF umbrella and its affiliates

The main point of departure here, which Runciman does not sufficiently explain, is that her focus is on the organisational form of the APF, whereas I focus on where people are actually struggling to access power, in most cases from the state. As early as 2008, Marcelle Dawson's D.Phil. thesis from Oxford University had already provided us with an in-depth analysis of the APF's organisational form at the centre and its contribution to local community-based struggles. Dawson argued, with specific reference to water struggles in the APF, that 'social movements have the potential to play an important role in strengthening democracy' (2008, p. 10) and that we needed to politicise an understanding of social movements if we were to grasp their emancipatory potential.

What Runciman calls 'the backstage' is precisely what she neglects to problematise given her heavy reliance on information from Dale McKinley, who happens not to be from any of the community-based affiliates – but from the centre of the APF itself. Indeed, McKinley holds a doctorate and is a co-founder of the APF and has been its treasurer as well as its public relations officer. Using McKinley as the main source of data in her article leads to a one-sided analysis which is unable to explain the contradictions between community-based affiliates and the APF as a mother-body, let alone intra-community conflict, which is what I sought to explain briefly in my own article. These struggles are neglected by Runciman given the heavy focus that she places on the APF organisational form. Furthermore, this leads to the, I think unfortunate, situation in which she is unable to utter even one critical word about resistance in the APF. Yes, resistance is taking place in the backstage. Yes, we must pay attention to the meanings activists ascribe to their activism, and, yes, education can contribute to building counter-hegemony, but one might ask Runciman, where does this take us?

My article was not solely about the APF (Runciman's main focus), but also unpacked the politics of movements, particularly those which employed direct action in order to meet their immediate basic needs – what Harvey calls 'militant particularisms' (in Williams 1989) – and to analyse the potential for moving these beyond mere local struggles. In doing so, I moved from the very specific to the general. I linked the APF in Alexandra, to the APF as an umbrella body, to the South African service delivery protests in general, and to the application of direct action by marginalised groups across the world. My starting point, as I noted throughout, was that movements had been romanticised and that we needed to pay close attention to the politics and internal dynamics if we were to have any chance of understanding their transformative potential. The article, as I pointed out, was in fact based on dozens of interviews throughout South Africa, and the argument emerged out of my PhD work in Alexandra.

Like Runciman, however, I initially thought that movements, such as those in Alexandra, should be celebrated and lauded. Part of my analysis, as I note directly below, was misplaced. A brief note on my fieldwork may be useful here in explaining the process through which I came to terms with the limitations of community-based movements. In March 2006, after telephoning leaders of the Wynberg Concerned Residents (WCR) whose numbers I had obtained from the APF, I walked into their home, actually an abandoned factory, and introduced myself. After some time, the activists began to open up and tell me about their struggle. A certain sense of confidence in their work as activists exuded from their voices and expressions. The initial response of most researchers who come to speak to community organisations across South Africa is understandably one of excitement and a booming hope in the power of agency.

This was my reaction on that day as the case in front of me seemed to be a classic one of the poor fighting for their right not to be evicted in the name of Alexandra Plaza, a shopping mall which was intended to benefit Alexandra's residents, but would in reality produce more profit for the corporate world. I sat and watched pensioner Ellen Chauke, chairperson of the WCR, sew scarves that she would later sell for ZAR30 each to primary schools so that kids could stay warm on their way to school. I sat eagerly for some time, but eventually I no longer had to ask open questions to get them started and they told stories about their recent struggles. My faith in the struggles of the APF and its assistance to poor communities was given further reinforcement when Dunia Mekgoe, secretary of the WCR, explained during an hour-and-a-half-long interview that:

> APF really gave us strength because we didn't have any. In December we were hopeless … mainly we were depending on discussions. That if we discuss with them maybe they are going to think that and do this. Then APF said no, this is a struggle guys…. Whoever comes near you, you must try and fight yourself [to prevent the evictions]. Show these people that you are [strong], start protesting from there … that is the only language that they can understand. You protest. They are going to understand. Whoever is the enemy will just back off. Because they can see that you have … built an iron fist…. APF is there, it's really there with us.… If we do have a problem we go to them and they do advise us how to handle [it] in a political way…. Because if we are doing it lawfully, we could have been moved long ago. So politically we cannot be moved. We have to fight so that these people must never remove us, we have to resist. (Sinwell 2009, pp. 268–326)

Without an adequate understanding of the local context and particularly the relationship between this perspective to other struggles in Alexandra, this appears like a successful case whereby the poor are assisted (by the APF) to use political means, direct action, to challenge top-down decisions made by corporate and state institutions.

While Runciman suggests that analysts, including myself, 'merge the identities of the APF and its many different affiliates without reference to the political independence and autonomy of affiliates' (2012, pp. 608–609), it is in fact the APF centre itself, the front-stage media outlet that problematically merges the APF's mission of anti-capitalism with its local affiliates. Referring to the housing situation in Alexandra, the APF released the following in a press statement:

> The construction of low-cost housing is not changing the lives of the poor in the country because the delivery of basic services is still class skewed. The rich minority are enjoying the fruits of the neo-liberal policies of the ANC-led government while the poor majority are being screwed by the non-delivery of basic services and the repeated promise of a better life for all. The situation of communities taking over housing projects in Alexandra and in many other communities across our country is a situation brought about by the implementation of neo-liberal policies in a country that is divided right down the middle between the rich and the poor. (APF 2008)

The problem here is that the APF preaches socialism and conscientises its affiliates about the systemic nature of capitalism, but has inadequate impact on local struggles where communities exercise power in order to access resources from the local state. The APF is correct to point out that the housing crisis emerged from neoliberalism, but in this instance fell short in assisting local movements to provide a viable alternative to the shortage of houses which fuels the crisis. As I demonstrated in my article and in far more depth in other publications (Sinwell 2010a, 2010b, 2011b) as well as my doctoral thesis (Sinwell 2009), precisely by paying attention to what Runciman calls 'the understanding and interpretations which activists themselves hold' (p. 607), the houses which the WCR and the Alexandra Vukuzenzele Crisis Committee (AVCC) eventually battle for, were actually intended for other poor people. It is not only Trevor Ngwane, the previous organiser of the APF whom I refer to, who states that the APF is about poor people standing up and challenging the rich bosses, as Runciman seems to contend. Rather, I would suggest that this is how the APF has portrayed itself to the public. My concern therefore is not only with the backstage of power relations and interactions that are happening between the APF mother-body and its affiliates, but also with how the APF and its affiliates interface with state power, since, as Runciman notes, this is what the APF's affiliates tend to fight battles over.

Occupying or placing oneself in the housing queue becomes equivalent to taking another poor peasant's rice (to refer back to the context in which Scott was writing) and eating it yourself – this is clearly not revolutionary or counter-hegemonic. It is qualitatively different to stealing rice from the rich and, I would suggest, is more like stealing resources from one's own class – in this case, other poor people in the housing queue. The organisation of education workshops by the APF which promote local democracy and socialist principles are clearly important for the development of class-conscious activists. However, I have tried to demonstrate the real dangers of not adequately connecting these education programmes to a broader practical socialist programme. The dangers are not merely ideological but have real implications for people struggling on the ground.

The equivalent is teaching a socialist programme to students at the university and then supporting direct action that enables students to access a limited set of scholarships and to push themselves further in the queue: this is not wrong on its own, but one can see that it does little to advance a socialist programme, or to change the underlying structural factors that have enabled so few scholarships to be available in the first place. Without a collective decision-making process, and arguably without a political programme that challenges neoliberalism, struggles with the primary goal of accessing resources from the state do not lead to inter-class warfare. Instead, such struggles put members of the working class against each other – and here we must carefully investigate the evidence of xenophobia in movements, which at times has been linked to the question of service delivery (see Von Holdt 2011, Sinwell 2011b for an analysis of the APF and xenophobia in Alexandra).

Elsewhere (Sinwell 2011b), I have argued that the leaders of Alexandra, including those affiliated to the APF, contribute to a condition in which the poor battle each other for limited resources – including those which foreigners possess. There is a growing tendency for community activists to seek power by accessing state resources, rather than by demanding the redistribution of wealth. In part, what I have illustrated is the danger of a social movement like the APF as an open space for autonomous community based organising – the potential pitfalls of education for critical consciousness, for uncritically supporting grassroots organisations that seek to access state power, without an adequate consideration of what this means for broader relations of power.

One of the underlying arguments put forth by Scott (1985) was that subaltern groups need not use the power of the state in order to transform politics and society. In contrast, the APF's affiliates and other movements in South Africa tend to seek to access decision-making processes within the state – it is not sabotage or theft, but a demand to sit with those local state officials in power who, to a significant extent, control development processes in poor communities.

## Countering the African National Congress (ANC)'s carrot and stick strategy

As Runciman points out, political independence and autonomy are important in any umbrella movement. What I was suggesting is that this independence and autonomy is actually undermining the potential to provide a counter-hegemonic alternative – and so we must carefully investigate the politics of local affiliates. In a recent paper entitled 'Uneven and combined Marxism within South Africa's urban social movements', Bond *et al.* incisively pointed out that

> the APF does not carry its anti-capitalist critique forward in a coherent, systematic manner and to its logical political conclusion, and that it has not significantly developed a strategy for contesting state power beyond exposing the neoliberal nature of the state. (Bond *et al*. 2011, p. 17)

This understanding is sympathetic to the APF and it seeks to advance an understanding that enables it, or other movements, to be more effective. When scholars dwell solely on the meanings activists ascribe to their action, however, we risk reproducing people's experiences and perceptions – as opposed to critically understanding them, which was the goal of much of my own work. As suggested by Bond *et al.* above, the perceived need for autonomy has come at the expense of coordinated and strategic action that poses a sustained threat to national policies. The APF has, in fact, overtly acknowledged this potential shortcoming. In a discussion paper on elections they questioned their ability to develop a common approach and explained that 'social movements face difficulties in ensuring enforcing a centralized decision on decentralised organizations' (APF 2010).

The inability of any local or umbrella movements to form a systemic and coherent strategy to contest state power as well as their limited strength in numbers and resources has contributed to a situation in which civics primarily remain localised – disconnected from each other. The argument that a thousand small punches (by civics) all over one's body (the ANC being the body) is more powerful than one mighty and carefully directed punch does not hold sway here. Instead, the small blows, from one area to another, are fairly easily blocked by the ANC through a carrot and stick strategy. The stick is the use of police repression, in particular the arrests and shootings (usually with rubber bullets) of leaders and other people who are identified as being associated with the protests. The carrot is promises which are intended to indicate to communities that their demands are legitimate and that they will soon receive some form of service delivery.

The level of dissatisfaction and the ability of activists to organise in poor communities has created a situation in which the government has had to respond to service delivery protests in one way or another. The protests have inspired us to see that change from below is possible. But, at the same time, they do not in themselves constitute a force that is capable of challenging the divide between the rich and the poor, and in many instances these protests involve the poor battling with each other over the limited resources provided by the ANC. This is not only the fault of movements, but it is the precondition of neoliberalism that creates few resources: for example, housing and jobs. While the APF, and more recently the Democratic Left Front (DLF), acknowledges that the enemy is neoliberalism, they must pay more attention to the fact that the solution is coordinated and strategic mass action on a national scale that can force those in power, and the state, to concede to socialist demands that place people before profit. This will not be achieved through clever press statements or pamphlets which describe neoliberalism as the enemy.

In the end, my article was not merely concerned with new kinds of research but also interested in inspiring critically engaged researchers who are committed to constructing a counter-hegemonic alternative outside of the academy. Ivory-tower intellectuals who criticise neoliberalism at international and other conferences without undertaking movement-building themselves that engages with the strategies and tactics employed by the masses, provide little hope for constructing a radical socialist agenda at this, or any other, juncture.

Scholars would do well to indicate how their own praxis, given that this is an academic journal read by scholars, could assist in building social movements. Without challenging, or building on, the existing struggles of social movements, the researcher risks forfeiting the creative element of critique that academics have at their disposal and which can be used if needs be, to redirect, strengthen and sharpen the ‘weapons of the weak’ so that they work more effectively.

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# REVIEW ESSAY

## Development ethics: means of the means?

**Development ethics at work: explorations – 1960–2002**, by Denis Goulet, London and New York, Routledge, 2009, 282 pp., £26.00, ISBN 9780415494045

**Development ethics**, edited by Des Gasper and Asuncion Lera St Clair, Farnham, Ashgate, 2010, 541 pp., £160.00, ISBN 9780754628385

**New directions in development ethics: essays in honor of Denis Goulet**, edited by Charles K. Wilber and Amitava Krishna Dutt, Notre Dame, University of Notre Dame Press, 2010, 495 pp., £50.83, ISBN 978026802598

**Ethics of global government: agency, capability and deliberative democracy**, by David A. Crocker, Cambridge, Cambridge University Press, 2008, 416 pp., £26.99, ISBN 9780521117388

**Global poverty, ethics and human rights: the role of multilateral organisations**, by Desmond McNeill and Asuncion Lera St Clair, London and New York, 2009, 192 pp., £25.99, ISBN 9780415445948

The last few years have seen a growth of interest in development ethics that has been reflected in the recent publication of several important volumes. This indicates the increasing significance of a consideration of ethics not only for development theory, but also for development practice. Given the well-known depredations and ill effects that have often been associated with development policy in general as well as with specific development programmes and projects, it might well be argued that the incorporation of ethical considerations is welcome, if not long overdue. The obvious proviso to such an argument would pertain to the character and form such an ethics might take. An ethics founded in Western principles and justifying Western development practices might be expected not to have universal appeal for example.

The five volumes that will be discussed here represent an excellent cross-section of the development ethics literature that one can use to begin to assess the character of any emergent ethics of development. The first is a collection of papers by the man generally recognised as the founding father of development ethics, Denis Goulet, representing every stage of his career. As we shall see, it is an impressive testament to a diverse and radical mind, as well as an essential chronicle of the development of Goulet's ethics. The substantial volume edited by Gasper and St Clair is a comprehensive survey of the emergence of development ethics that is essential to attain a sense of the breadth and diversity of writing in the field. The volume edited by Wilber and Dutt is a Festschrift in honour of Denis Goulet compiled to mark his death in 2006. It assembles a set of papers giving contemporary views of potential directions in development ethics. Crocker's volume is a monograph setting out a detailed and ambitious agenda for the development and global practice of an ethics founded in an idea of deliberative democracy. The volume by McNeill and St Clair is a valuable and informative study of various initiatives attempting to

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introduce development ethics into the practice of a variety of international development organisations, including the World Bank and the United Nations Educational, Scientific and Cultural Organisation (UNESCO). As such, it provides us with important indications as to the form and character development ethics might take if it is ever embraced by mainstream development agencies. This review endeavours to bring out some of the main themes that characterise this literature as well as making some observations as to what this literature indicates about the nature of the emergent field of development ethics. Particular attention will be given to assessing its prospects for implementation in development policy.

## Goulet lays radical foundations

Goulet's *Development ethics at work* provides a comprehensive overview of his work that helps to identify many of the key themes associated with development ethics. Crocker provides a useful preface in which he focuses on three themes in particular: solidarity, non-elite participation and a principle of a decent sufficiency of basic goods for all. It might be argued that solidarity lies at the foundations of Goulet's ethics. Crocker glosses Goulet's concept of solidarity as entailing 'the idea that those individuals, groups and nations who are better off have obligations in relation to those worse off' (p. xxiii). He goes on to point out that this means developed countries have obligations to help and not to do harm. Whilst this is accurate, if anything it underestimates the radicalism of Goulet's appeal. In discussing the global economy, Goulet wrote:

> Any new 'global bargain' must … avoid merely dividing the world into donors and recipients of 'charity'. A new understanding of structural justice will need to state as its initial postulate that the rights of human societies and their members are founded on the requirements of integral development for all. Effective solidarity will need to become the operative value; this means institutionalizing the principle that the world's wealth belongs to all its inhabitants, on the basis of priority needs, not on geographical accident or on differing technological abilities to extract or exploit resources that some groups enjoy over others. (pp. 166–167)

In other passages Goulet expands on the implications of this vision to argue that rich countries need to practise austerity in order to free the resources to help the global poor and to prevent their own societies becoming subject to an overriding materialism.

This anti-consumerist vision is entwined with Goulet's approach to the issue of sustainability, which he identified as seeming 'to require simple living in which consumption is limited' (p. 177). It also dovetails with the principle that everybody should have a sufficiency of basic goods. Goulet envisaged that austerity would liberate the resources needed to ensure that everybody received the basic minimum of goods needed to stay alive, including food, lodgings, access to education and medicine.

The third theme emphasised in Crocker's preface, non-elite participation, reflects the influence of Freire on Goulet's thinking in its emphasis that development should empower the poor. Goulet argued that 'the poor must gain access to resources early in the decision-making process regarding the use of resources, and not merely as a corrective afterthought to vitiated distribution systems' (p. 166). Development was not to treat poor people as objects to be manipulated for development purposes, but as subjects capable of making their own decisions and taking their own actions to help themselves. Whilst there is much criticism of participation, we may note that Goulet provides numerous case studies throughout the volume to illustrate how participatory ventures can help to improve peoples' lives and empower them. As Crocker points out, such ventures constitute what Goulet terms authentic development, which enables people to act for their own development as subjects. This is to be contrasted with inauthentic development, which Goulet characterises as follows:

> It is necessary to reject false or spurious forms of development which assign greater importance to the accumulation of goods than to the 'essential good', or which subordinate the value of the human person to mere material goods. Embracing spurious development would eventually lead to the acceptance only of values measurable in monetary terms; doing so would simply 'materialize' human beings, treating them simply as instruments of production, units of consumption, voters, or bearers of arms. (p. 5)

This passage illuminates an area that Crocker does not emphasise, namely an intrinsically anti-capitalist strand in Goulet's ethics. The critique of accumulation of goods leading to materialistic values that subordinate humans to commodities is itself redolent of socialist, if not Marxist, critiques of capitalist development. This stance becomes even clearer in the following passage where he approvingly refers to the arguments of Barbara Ward (1976):

> Markets respond to purchasing power: a market system wholly uncorrected by institutions of justice, sharing, and solidarity, makes the strong stronger and the weak weaker. Markets as useful tools in a functioning social order have a positive and decentralizing role to play. Markets as masters of society enrich the rich and pauperize the poor. (p. 180)

If Goulet's critique of neoliberalism does not emerge clearly enough from the above statement, it becomes self-evident within his disagreement with the views of Stinson (1993), as follows:

> Neoliberal free trade policies are being pushed by a worldwide corporate elite bent on defining the environment as a trade barrier expressed in dollars. Governments have abetted this transformation by forging agreements that ensure a nation's powerlessness to defend itself against commercial activities that harm its citizens or the environment. (p. 154)

This not only indicates that Goulet's ethics stands firmly against the predominant capitalist philosophy that underpins globalisation, but also shows an appreciation of the way in which powerful economic and political elites are pushing the neoliberal agenda at the direct cost of the global poor. In this sense Goulet's ethics is a radical development ethics.

## Ethics as means of the means

The substantial volume edited by Gasper and St Clair, and to a lesser degree the Festschrift for Goulet edited by Wilber and Dutt, both provide comprehensive surveys of how numerous scholars have built on the foundations constructed by Goulet. Gasper and St Clair in particular have compiled a comprehensive and systematic survey of several main trends in development ethics, focusing on the needs, capabilities and human rights approaches, but also paying attention to questions of implementation and to policy issues. The book contains important texts by Sen and Nussbaum (on aspects of capability theory), Manfred Max-Neef (on human needs), Beetham and Hansen and Otto (on rights-based approaches), as well as pieces by such authors as Penz on displacement, Hanlon on debt, Stiglitz on economic policy, and several pieces by Goulet which mostly complement rather than duplicating the contents of his *Development ethics at work*. Gasper and St Clair have compiled an essential volume for anybody who wishes to get a sense of the reach of the development ethics literature.

An important theme in Goulet's work that is emphasised in the Gasper and St Clair volume concerns his ambition to make development ethics 'a means of the means'. In other words, ethics must not simply take the form of an abstract moral code, but must inform the actions and operational methods of development policy-makers and personnel. He elaborates on this as follows:

> Any moral judgement must relate to the technical data pertinent to the problem under study in realistic terms. Moreover, such a judgement must utilize those data in ways which professional experts can recognize as faithful to the demands of their discipline. This is the sense in which ethics must serve as a 'means of the means', that is, as a moral beacon illuminating the value questions buried inside instrumental means appealed to by decision-makers and problem-solvers of all kinds. (Goulet 1988, in Gasper and St Clair 2010, p. 56)

Goulet was determined that the work of development policymakers and field workers should be informed by ethical principles. As Gasper notes, ethical considerations could be introduced into the instruments and techniques used to make development policy through 'incorporation of ideas in movements, incorporation in methods, and incorporation in education and training' (Gasper, in Gasper and St Clair 2010, p. 76). In this way ethics would become embedded in the means of action and influential with development actors such as aid agencies and international organisations. It would endeavour not only to identify ethical goals, but also 'to affect the processes and instruments through which the goals are, in practice, respecified and marginalized or given real weight' (*ibid*.).

However, the literature indicates that there are problems with this ambition. In writing about how the capability approach might be mobilised as a field application, Gasper notes that:

> The operationalization of an approach includes its institutionalization and its conversion into feasible procedures of application, sometimes including quantification. Both institutionalization and application involve adaptations to fit specific contexts. Sometimes adaptation involves simplification but equally often it requires complication, instead or in addition. (Gasper 2007, in Gasper and St Clair 2010, p. 231)

Gasper quotes McNeill to identify three 'standard dangers' in this process:

> First, fatal conceptual fuzziness may emerge as all and sundry take up and twist the approach's terms. Second, sometimes in reaction, academics far from the policy frontline can over-refine the approach and the debate, rendering it arcane and remote to potential users. Third, as 'practical men' go their own way in operationalization, the approach can become bastardized and lose its rationale. (p. 231)

With regard to the capability approach in particular, Gasper notes that its vagueness and flexibility leaves it open to risks such as 'failure to develop and refine theory, and proneness to operationalise by reversion to familiar, conservative forms that are not consistent with the approach's rationale' (p. 231). This could lead to a field approach that is formalistic, economistic and overly concerned with quantification.

The ambition of operationalising development ethics raises the very real possibility of co-optation by agencies that do not believe in the idea, but wish to enhance their credibility through association with it. That Goulet was cognisant of such dangers is evident in his aforementioned references to global elites pushing inegalitarian neoliberal policies. A further gloss is provided by his thoughtful meditation on gradualism and violence when he observes:

> Two opposing kinds of incrementalism can be identified: the one palliative, the other creative. Palliatives prevent deep

> change by lulling people into accepting minor gradual improvement instead of adequate responses to fundamental problems. As time passes, however, palliatives always worsen the condition they mean to cure – by raising hopes they cannot satisfy or tinkering with defective social mechanisms, thereby postponing treatment until the disease becomes incurable. Creative incremental measures on the contrary are designed to open new possibilities for subsequent radical change even though at the moment of adoption they appear modest. (Goulet 2009, p. 77)

It is clear that Goulet's preference is for gradual change as opposed to violent change, but he is well aware that elite groups are prone to try and buy off the repressed with palliatives that will not change the essential working of the system.

This leads Goulet to address the question of whether or not there can be a legitimate use of violence. In one paper written at the height of the Cold War he noted that the demands of peace and justice might be in conflict in a world order that is peaceful, but based on inequity. In a situation where the power holders are prepared to unleash catastrophic violence to repress the just demands of the excluded untold damage could be done. Goulet's response to this is as follows:

> The long-term mission of the peace-maker, from the perspective of developmental justice, is to destroy the prior legitimacy enjoyed by the forces of institutional violence. Those who make this their priority can then, without losing their moral credentials, engage in the task of devising revolutionary strategies whose use of destructive violence is truly minimal. (Goulet 1976, in Gasper and St Clair 2010, p. 125)

This indicates that despite his clear preference for peaceful methods of promoting development ethics, Goulet is aware that power holders may resort to violence in defence of their interests and that the pursuit of justice may require that violence be answered with violence, although it should be kept to the minimum. More generally, this might be taken to justify resort to illegal, or forceful action that departs from the democratic ideal that differences should be settled through peaceful negotiation.

## Development ethics in practice?

Problems of operationalising development ethics are highlighted by McNeill and St Clair in their volume examining the responses of the various multilateral organisations to such demands as the need to incorporate a human rights agenda in their work and to promote growth with equity. McNeill and St Clair start from the proposition that international institutions such as the World Bank and United Nations Development Programme (UNDP) have a moral duty to address the need for global justice:

> International organizations are what we call 'response-able'; they are particularly well placed to act by virtue of the powers that the people of the world have given them: the economic resources and expertise that enable them to change the world and the political legitimacy they enjoy by virtue of their mandates. (p. 10)

However, they also indicate that such institutions have 'been hesitant to embrace the discourse of ethics and human rights' (p. 10).

The World Bank has made gestures towards responding to public, United Nations and non-government organisation pressures for reform. Notably, it launched a Development Dialogue on Ethics and Values in 2000 and created the post of adviser on human rights to the president of the bank in 2003. There were also attempts to introduce issues related to development ethics into significant bank publications such as the 2006 *World development report*, which was sub-titled *Equity* *and development* and sought to integrate a human rights perspective into the bank's analysis. McNeill and St Clair were actively involved in the process of preparing the report and were clearly in support of the position of many lobbyists that the bank ought to incorporate a human rights perspective because rights were intrinsically valuable as they are based on the ethical principle that all lives are of equal worth. However, this was not well received by representatives of the bank:

> Some argued very vehemently that it was not the role of the Bank to address questions of human rights … the major concern here derived from the discomfort with the 'intrinsic' argument for equity, which does not fit well with the dominant economic perspective. One of the key cognitive values of economics is the notion of a trade-off – whether in seeking to understand people's behavior, or to advise on policies. This leads to serious incompatibilities with ethical argumentation based on intrinsic values. By definition, something that is intrinsic is non-tradable. (p.101)

It would appear that bank staff regarded economics as more intrinsic than ethics inasmuch as many of them expressed the view that 'one of the problems of rights perspectives is that it was not empirically proven to be economically sound to implement, say, the right to education, or the right to health for all' (p. 101). In the final instance the *World development report* for 2006 did not employ the intrinsic argument and human rights were tangential to its core arguments. Overall, human rights approaches have not had much of an impact at the bank, not only because of its economic ethos but because of opposition from some board members, both from donor and recipient countries. McNeill and St Clair examined a similar initiative to promote ethics as a component in the Inter-American Development Bank (IDB)'s development activities only to find that:

> The Initiative could not risk entering too manifestly into the realm of politics and ideology, since this might appear threatening to those who actually controlled the organization. (p. 142)

These included a number of countries in the Americas represented on the IDB's board. Similarly, a UNESCO project to examine human rights approaches to the abolition of poverty met with internal resistance because it was seen as politically risky. A central problem was that any contention that poverty was a breach of the rights of the poor could give rise to a legal claim and as McNeill and St Clair note – 'such ideas are anathema to the rich and powerful' (p. 126).

In explaining the failure of multilateral organisations to live up to their 'moral duty' McNeill and St Clair mobilise the concept of Gramscian hegemony over the development discourse, appealing to the following passage from Bøås and McNeill:

> Powerful states (notably the USA), powerful organizations (such as the IMF) and even, perhaps, powerful disciplines (economics) exercise their power largely by framing: which serves to limit the power of potentially radical ideas to achieve change. A successful framing exercise will both cause an issue to be seen by those who matter, and ensure that they see it in a specific way. And this is achieved with the minimum of conflict or pressure. For the ideas appear to be 'natural' and 'common sense'. (Bøås and McNeill 2004, p. 220, quoted in McNeill and St Clair 2009, p. 16)

St Clair makes it clear that the bank frames development in such a way as to favour neoliberal ideas, arguing that whereas modernisation theory represented the development myth of last century, neoliberal globalisation is the myth of this century. Elsewhere she argues that:

> Development is being discursively transformed into a tool for 'helping out' those left out of the presumed economic

> bonanza of free trade and liberalization, and the means for appeasing our sense of conscience (or our sense of guilt). It thus tends to act as a legitimizing strategy for neoliberal restructuring. (St Clair 2006, p. 142)

Thus, aid is reduced to the status of a temporary relief measure to compensate for the worst effects of neoliberalism, a prime example being the social emergency funds used to mitigate the adverse social effects of structural adjustment programmes. Of the World Bank she notes that 'many of the proposals coming from this global institution serve to justify an unfair global system' (*ibid*.).

St Clair insists that it is important to note that poverty is increasing in many European countries as well as in the developing states. In the wake of the 2008 financial meltdown this seems all the more relevant as governments across Europe have responded to the need for financial sector bailouts with welfare cuts that threaten to raise unemployment (see BBC News 2010). St Clair also cites the argument that 'the free market needs those at the very bottom' (St Clair 2006, p. 146). She further writes of the bank that '(u)nder the leadership of Wolfovitz and the political and economic interests this represents, it is important to consider the extent to which this institution may become even more a tool for the justification of neoliberal restructuring as well as a machinery for collective charity' (*ibid*., p. 153). In recognising that neoliberalism is increasing inequality throughout the world and not just in the South, that the impoverishment of a section of the world's populace is integral to neoliberal restructuring, and that identifiable political and economic interests underwrite this process, St Clair is coming very close to the position of analysts such as David Harvey (2005) and Immanuel Wallerstein (2003), who explicitly see neoliberalism as a class project to enhance global capitalist accumulation at the direct expense of subordinate classes.

## Deliberative democracy?

In the face of evidence suggesting that ethics is likely to be trumped by a neoliberal discourse of power it becomes all the more salient to enquire just how development ethics is to be made practically relevant, a means of the means. Crocker takes on precisely this project in his volume *Ethics of global development: agency, capability, and deliberative democracy*. Crocker argues that Sen's goal of enhancing well-being and capabilities is best accomplished through promoting agency by means of deliberative democracy. This would entail the establishment of mechanisms for deliberative democracy at all levels of development 'from small villages, through development-planning ministries, to the World Bank' (p. 95).

There is an extensive literature about deliberative democracy as a key to ethical egalitarian political discourse, which Crocker explores in some detail. Sen and Crocker follow Rawls arguing that democracy is about more than elections, and should be understood as 'the exercise of public reason' (Sen 2003, p. 29, cited p. 299), which involves opportunities for citizens to participate in political discussions, influence public policy, and also enhances their ability to hold policymakers and implementers accountable. Crocker observes that democracy must allow widespread participation, whilst providing opportunity for free discussion and argumentation. The *modus operandi* for actualising such reforms at different levels such as villages, ministries and international institutions would vary, as Crocker elaborates in Chapters 9–11.

Crocker acknowledges that there are obstacles to the enhancement of developmental agency through deliberative democracy. Most fundamentally, he notes that 'the freedom of agency that we individually have is inescapably defined and constrained by the social, political and economic opportunities available to us' (p. 151). Crocker elaborates on this basic point to observe that democracy as actually practised can be limited in terms of restricting participation to elections, or by limiting who can participate. He also notes that economic inequality limits the ability of the poor to participate due to lack of education, leisure time and access to political institutions. This point is emphasised by noting the extent of world inequality (p. 384). Crocker acknowledges that this raises a question of whether or not a strategy based on deliberative democracy implicitly assumes a greater level of equality than is extant in the world. He answers this by arguing that only rough equality is necessary to allow most people the possibility of participation and to prevent the rich from completely dominating the political process (p. 367).

This contention seems at least questionable if one accepts the evidence gathered by McNeill and St Clair to the effect that the World Bank and other international organisations are committed to a neoliberal globalisation project that worsens global inequality. Crocker tends to be dismissive of the leftist critique of predatory globalisation. Whilst he acknowledges the critique and also acknowledges the growing inequality of global society, he does not put these two factors together. Crocker gives little if any consideration to the possibility that such inequality might be a product of globalisation, specifically in its neoliberal capitalist form. It follows from this that he gives no consideration to the view that those who are committed to neoliberalism (either for ideological or economic reasons) have little or no interest in promoting the agency of the Southern poor through deliberative democratic reform (as distinct from governance reforms), whilst those who are excluded have limited power to force reforms.

A major problem in Crocker's argument is that although he is aware that development cannot be treated as a depoliticised, technical exercise, he seems to underestimate the level of (sometimes absolute) commitment a socio-political group/class can have to its perceived interests. None of this is to dispute Crocker's contention that an effective well-being strategy would be enabled by a global move towards deliberative democracy. Nor does it suggest that such an objective should be dismissed as utopian. However, it does indicate that any such reform will be a good deal more problematic than Crocker seems to think and has conflictual implications. All this is suggestive that committed neoliberals in organisations like the International Monetary Fund and the World Trade Organisation will be far from receptive to reforms that threaten to radically transform the working of said institutions. And to the extent that they are willing to give such ideas a hearing it is likely to be with a view to co-optation.

How then does Crocker deal with the issue of violence? He draws on the work of American analyst Archon Fung to argue as follows:

> The deliberative democrat seeking to advance the prospects of deliberative democracy in an unjust world may choose non-deliberative methods but only when he (1) initially acts on the rebuttable presumption that those opposing deliberation are sincere, (2) reasonably exhausts deliberative methods, and (3) limits non-deliberative or nondemocratic means by a principle of proportionality.... The more extreme the hostility to deliberative democracy and the more entrenched the power asymmetries, the more justified are political mobilization and even coercive means, such as political pressure and public shaming. (p. 364)

It is clear that Crocker continues the preference for peaceful and legal means implicit in much writing on development ethics. Non-deliberative methods are to be a last resort and are to be used in a strictly graduated manner against opponents that may not be so scrupulous. This conclusion is cast into doubt by none other than Archon Fung, who observes of situations where obstacles to change are particularly high:

> The space to act on deliberative faith in such encounters is severely cramped. One might, for example, act in confrontational ways in the hope that, in the long arc of history, those that seem now incorrigible will embrace deliberation eventually. (Fung 2005, p. 412)

Fung goes on to observe that:

> The governance arrangements that set the terms of world trade and international finance among states, are not now, nor will they become in the foreseeable future, fair and inclusive deliberations. Activists in social movements who view the decisions of these bodies as unjust seek primarily to influence them through coercive pressures that increase the costs to those bodies. (*Ibid*.)

Clearly Fung regards the issues central to development as constituting a space in which the opportunities for deliberative democratic action are severely limited, a situation legitimising if not necessitating more confrontational and coercive action. This suggests that the relegation of force to the status of last resort is at the very least precipitate.

## The risks of respectability

This discussion has attempted to underline the significance of the volumes under review, and to engage with some of the issues that have a bearing on the directions that might be taken by development ethicists as their approach becomes more influential. That development ethics is becoming more influential seems clear as reflected in the growing number of publications on the subject and the growing attention paid to ethics at academic conferences and development institutions. This might well be seen as a hopeful sign that development ethics is reaching what analysts like Finnemore and Sikkink (1998) would term a 'tipping point' where enough influential forces in the international system accept its importance for it to be accepted as a legitimate influence in development policy-making. The achievement of Goulet's ambition to make development ethics a means of the means would appear to be in striking distance.

However, some of the themes highlighted in this review suggest that achieving acceptance or respectability may not be without its problems. We have seen that Goulet's development ethics is radical, incorporating an understanding of how the present unequal global system is underwritten by interests that benefit from that system. We have also seen that he critiques the current development hegemony of neoliberalism as serving the interests of the rich at the expense of the poor. His analysis of the danger of palliatives reflects his awareness of the dangers of co-optation of any attempts to reform the present system. The findings of McNeill and St Clair bear out Goulet's fears. The first response of hegemonic development organisations (notably the World Bank) to the challenge of development ethics has been to attempt to co-opt it and defuse its radicalism. The entrenched nature and radical injustice of the present system raise questions about the efficacy of reform strategies that attempt to relegate extra-legal and coercive action to the status of a last resort.

There will be those who are eager to make development ethics respectably apolitical and moderate in the hope that aid agencies will integrate at least some ethical guidelines into their operating procedures. Others may seek to render ethics safe enough for mainstreaming and adoption by aid agencies if only to take advantage of the professional and consultancy opportunities thereby afforded. To the extent that achievement of respectability involves eliding the intrinsically political analysis integral to Goulet's vision, it raises the danger of reducing development ethics to a formalistic technical process, or even worse, a rubber stamp for agencies whose activities remain fundamentally unchanged. If development ethics is to ethically represent the interests of those who lose out from neoliberal globalisation it cannot afford to lose the radical edge that is evident in Goulet's work. In that sense it must remain confrontational, political and unrespectable.

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