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## The political economy of Africa in the global system

1. It is usually said that Africa is « marginalised ». The phrase suggests that the continent – or at least most of it south of the Sahara, except perhaps South Africa – is « out » of the global system, or at best integrated into it only superficially. It is suggested also that the poverty of African people precisely is the result of their economies being not sufficiently integrated into the global system. I wish to challenge these views.

Let us consider first some facts which are hardly mentioned by the incense – bearers of current globalisation. In 1990 the ratio of extra regional trade to GDP was for Africa 45,6 % while it was only 12,8 % for Europe ; 13,2 % for North America ; 23,7 % for Latin America and 15,2 % for Asia. These ratios were not significantly different throughout the XXth century. The average for the world was 14,9 % in 1928 and 16,1 % in 1990 (Source : Serge Cordelier, *La mondialisation au delà des mythes*, La Découverte, Paris 1997, p. 141 figures from WTO 1995).

How can we explain this curiosity that Africa is apparently even more integrated in the world system than any other developed or developing region ? Of course the levels of development, as measured by per capita GDP, are highly unequally distributed, and, from that point of view, Africa is the poorest region in the modern world system, its GDP per capita amounting only to 21 % of the the world average and 6 % of that of the developed centers. Therefore the high proportion of Africa's extra regional trade with respect to its GDP would reflect the small size of the denominator of the ratio. Simultaneously the exports (as well as the imports) of Africa represent only a minute proportion of the world's trade. And this, is exactly the reason for which Africa is considered as being « marginal » in the world system, i.e. having little importance (« the world could live easily without Africa ») That concept, according to which a country, or a region is qualified « marginalised » if its quantitative weight in the global economy is small, assumes implicitly that the logic of the expansion of the global capitalist economy pursue the maximisation of production (and therefore also of trade). This assumption is utterly wrong. In fact it matters little that Africa's exports have represented only a minute part of world trade yesterday and to day. Capitalism is not a system which sets out to maximize production and productivity, but one which chooses the volumes and conditions of production which maximize the profit rate of capital. The so called marginalised countries are, in fact, the super exploited in brutal manners and therefore, impoverished countries, not countries located « at the margin » of the system.

The analysis needs therefore to be completed on other grounds. The relatively modest ratio for the developed areas – North America (USA and Canada) and Western-central Europe (the European Union, Switzerland and Norway) is associated not only to the highest levels of development but also with a qualitative characteristics that ought to be spelled out : all developed countries have been built historically as autocentered economies. I introduce here that essential concept which is ignored by conventional economics. Autocentered is synonymous to « basically inward looking », not to « autarcic » (« closed »). That means that the process of capitalist accumulation in those countries which have become the centers of the world system has always been – and I submit continues and will continue to be so in the visible future – simultaneously inward looking and open, even in most cases aggressively open

(« imperialist »). That means therefore that the global system has an asymmetric structure : the centers are inward looking auto centered and simultaneously integrated in the global system in an active way (they shape the global structure) ; the peripheries are not inward looking (not autocentered) and therefore integrated in the global system in a passive way (they « adjust » to the system, without playing any significant role in shaping it). That vision of the real world system is totally different from the one offered by conventional thought which describes superficially the world as a « pyramid » constructed of unequally wealthy countries ranking from the lowest levels of GDP per capita to the highest ones.

My conclusion from this conceptualisation is that all the regions of the world (including Africa) are equally integrated in the global system, but they are integrated into it in different ways. The concept of marginalisation is a false concept which hides the real question, which is not « to which degree the various regions are integrated » but « in which way they are integrated ».

Additionally the figures referred to above indicate that the degree of integration in the world system has not dramatically changed throughout the whole XXth century, as is being suggested by the dominant fashion discourse on globalisation. There have been ups and down but the trend which reflects the progress of the degree of integration has been continuous and rather slow, not even accelerating throughout the last decades. That does not exclude the fact that globalisation – which is an old story – has developed through successive phases that should be identified as qualitatively different, focusing on the specificities of each of them, in relation to the changes commanded by the evolution of the centers of the system, i.e. dominant global capital.

2. On the basis of the methodology which I suggested here we can now look into the various phases of Africa's integration in the global system and identify the specific ways in which operated that integration for each of the successive phases analysed.

Africa was integrated into the global system from the very start of the building of that system, in the mercantilist phase of early capitalism (the XVIth, XVIIth and XVIIIth centuries). The major periphery of that time was the colonial Americas where an outward looking export economy was established, dominated by European Atlantic merchant capitalist interests. In its turn that export economy, focused on sugar and cotton, was based on slave labour. Therefore, through the slave trade, large parts of Africa South of the Sahara were integrated into the global system in this most destructive way. A good part of the later « backwardness » of the continent is due to that form of « integration » which lead to a decrease in population to the extent that it is only now that Africa has recovered the proportion of the global population of the world it had probably around 1 500 AD. It has led also to the dismantling of earlier larger state organisations to which were substituted small military brutal systems and permanent war between them.

In America itself the mercantilist form of integration in the world system destroyed the potential for further development in many devastated regions. During that phase of early capitalism the highest rates of growth were achieved in areas such as the Carribean, Nordeste of Brasil, the Southern north American british colonies. An expert of the World Bank, if he had visited those areas at that time, would have written about their « miracle » (the value of Saint Domingue's exports of sugar was, at a time, larger than the total exports of England !) and concluded that New England, which was building an autocentered economy, was on the wrong track. To day Saint Domingue is Haïti and New England has become the USA !

The second wave of integration of Africa in the global system was that of the colonial period, roughly from 1880 to 1960. Once conquered, it was necessary to « develop » the Africa in question. At this juncture come in both the reasonings of world capitalism – what natural resources do the various regions of the continent possess ? and those of the previous history of African societies. It seemed to me that, in this context we would understand what each of the three models of colonization operated in Africa was : the trading economy incorporating a small peasantry into the world tropical products market by subjecting it to authority of a market of controlled oligopolies making it possible to reduce the rewards for peasant labour to the minimum and to waste land ; the economy of Southern Africa's reserves organised around mining, supplied with cheap labour by forced migration coming precisely from the inadequate « reserves » to enhance the perpetuation of traditional rural subsistence ; the economy of pillage which the concessionary companies embarked upon by taxing without the counterpart of a farthing products of picking elsewhere, where neither the local social conditions permitted the establishment of « trading », nor the mineral resources justified the organisation of reserves intended to furnish abundant manpower. The conventional Congo basin belonged to this third category in the main.

The results of this mode of insertion into world capitalism were going to prove also catastrophic for Africans. First it delayed – by a century – any commencement of an agricultural revolution. A surplus could here be extracted from the labour of the peasants and from the wealth offered by nature without investments of modernisation (no machines or fertilizer), without genuinely paying for the labour (reproducing itself in the framework of the traditional self-sufficiency), without even guaranteeing the maintenance of the natural conditions of reproduction of wealth (pillage of the agrarian soils and the forest). Simultaneously, this mode of development of natural resources tapped in the framework of the unequal international division of labour of the time, excluded the formation of any local middle class. On the contrary, each time that the latter started the process of its formation, the colonial authorities hastened to suppress it.

As a result today most so called « less developed countries » are, as everybody knows, located in Africa. The countries which today make up this « fourth world » are, for large part, countries destroyed by the intensity of their integration in an earlier phase of the global expansion of capitalism. Bangladesh, for example, successor state of Bangal which was the jewel of British colonisation in India. Others have been – or still are – peripheries of peripheries. For example, Burkina Faso which has supplied most of its active labour force to Côte d'Ivoire. If one had taken into consideration the two countries as, in fact, constituting a single region of the capitalist system of the epoch, the characteristic rates of the « Ivory Coast miracle » would have had to be divided by two. Emigration impoverishes the regions which feed its flow and thus support the costs of bringing up youth who are lost at the moment when they become potentially active, as well as the costs of supporting the old after their return. These costs, much greater than the « money orders » sent to the families by the active emigrants, are almost always forgotten in the calculations of our economists. There are only few countries which are « poor » and non integrated or little integrated in the global system. Perhaps, yesterday still the North Yemen or Afghanistan. Their integration which is underway to date, like that of others yesterday, produces nothing more than a « modernisation of poverty » - the shantytowns taking on the landless peasants. The weaknesses of the national liberation movement and of the inheritor states of colonisation date back to this colonial fashioning. They are therefore not the products of the pristine precolonial Africa, which disappeared in the storm, as the ideology of global capitalism endeavours to derive its

legitimacy from it, by holding forth its usual racist discourse. The « criticisms » of independent Africa, of its corrupt political middle classes, of the lack of economic direction, of the tenacity of rural community structures forget that these features of contemporary Africa were forged between 1880 and 1960.

No wonder then that neo colonialism has perpetuated these features. The form that this failure took is quite fully defined by the limits of these famous Lome Agreements which have linked sub-Saharan Africa to Europe of the E.E.C. These agreements have indeed perpetuated the old division of labour - relegating independent Africa to the production of raw materials, at the very time when - during the Bandung period (from 1955 to 1975) - the third world was embarking elsewhere on the industrial revolution. They have made Africa lose about thirty years at a decisive moment of historic change. Undoubtedly, African ruling classes were here partly responsible for what was going to start the involution of the continent, particularly when they joined the neo colonial camp against the aspirations of their own people, whose weaknesses they exploited. The collusion between African ruling classes and the global strategies of imperialism is therefore, definitely, the ultimate cause of the failure.

3. Yet, having reconquered their political independence the peoples of Africa embarked as of 1960 in development projects the main objectives of which were more or less identical to those pursued in Asia and Latin America despite the differences of ideological discourses which accompanied them here and there. This common denominator is easily understood, if we simply recall that in 1945 practically all Asian countries (excluding Japan) Africa (including South Africa) and - although with a few nuances - Latin America were still bereft of every industry worth this name - except mining here and there - largely rural by the composition of their population, governed by archaic regimes, land-owning oligarchies or colonial (Africa, India, South East Asia). Beyond their great diversity, all the national liberation movements had the same objectives of political independence, modernisation of the State, industrialisation of the economy.

There is today a great temptation to read this history as that of a stage of the expansion of world capitalism, which was said to have performed, more or less certain functions attached to primitive national accumulation, thereby creating the conditions for the next stage, which we are now supposed to be entering in marked by the opening out to the world market and competition in this field. I will not suggest that we should yield to this temptation. The dominant forces in world capitalism have not « spontaneously » created the model(s) of development. This « development » was imposed on them. It was the product of the national liberation movement of the contemporary third world. The reading which I propose therefore stresses the contradiction between the spontaneous and immediate trends of the capitalist system, which are always guided only by the short-term financial gain that characterises this mode of social management, and the longer-term visions which guide the rising political forces, in conflict for that very reason, with the former. This conflict is certainly not always radical, capitalism adjusts itself to it, even profitably. But it only adjusts to it, it does not generate its movement.

All liberation movements in Africa shared this modernist vision, which for that very reason I qualify capitalist. Capitalist by its concept of modernisation, expected to produce the relationships of production and the social relationships basic and peculiar to capitalism : the wage relationship, business management, urbanisation, patterns of education, the concept of national citizenship. No doubt other values, characteristic of advanced capitalism, like that of political democracy, were woefully lacking, and this was justified by the exigencies of prior

initial development. All countries of the region – radicals and moderates – chose by the same formula of the single party, farcical elections and leaderfounder of the Nation etc. Yet, in the absence of a middle-class of businessmen, the State – and its technocrats – was expected to substitute itself. But sometimes also, in so far as the emergence of the middle-class was held in suspicion on account of the priority that the latter would give to its immediate interests over the longer-term ones under construction. Suspicion became, in the radical wing of the national liberation movement, synonymous with exclusion. This radical wing then believed naturally that its project was that of the « building of socialism ». It then took up the Soviet ideology.

If we adopt the criterion of national liberation movement, that is « national construction » the results are on the whole arguable. The reason is that whereas the development of capitalism in earlier times supported national integration, the globalisation operating in the peripheries of the system, on the contrary, breaks up societies. However, the ideology of national movement ignored this contradiction, having been enclosed in the bourgeois concept of « making up for a historic backwardness », and conceiving this catching up by passive participation in the international division of labour (and not trying to modify it by delinking). No doubt, according to the specific characters of pre-capitalist precolonial societies, this disintegration impact was more or less dramatic. In Africa, whose artificial colonial demarcation did not respect the previous history of its peoples, the disintegration wrought by capitalist peripherisation made it possible for ethnicism to survive, despite the efforts of the ruling class following national liberation to get rid of its manifestations. When crisis came, destroying suddenly the increase in the surplus which had enhanced the financing of trans-ethnic policies of the new state, the ruling class itself broke up into fragments which, having lost every legitimacy based on the achievements of « development », try to create for themselves new bases often associated with ethnic retreat.

While a number of countries in Asia and Latin America did embark during those « decades of development » of the second half of the XXth century in a process of industrialisation which turned in some cases to be competitive on global markets, « successful development » (in fact growth without development) remained in Africa within the old division of labour, i.e. providing raw materials. Oil countries are typical, since other major mineral resources, such as copper, suffer a long structural demand crisis, but also some « tropical agricultural », as Côte d'Ivoire, Kenya, Malawi. These were shown as « brilliant successes ». In fact they have no future, they belonged to the past from the very start of their prosperity. Therefore most of those experiences turned to be unsuccessful growth even within those limits of the old division of labour. This is the case of most of sub-Saharan Africa. These difficulties were not necessarily the product of « bad policies », but of objective conditions. For instance, that this type of development had already been achieved in the colonial times and reached its ceiling by 1960. This is the case of Ghana : the Ivory Coast miracle was just a matter of « catching up » with colonial West African coast achievements !

**4.** What followed the erosion of the national development projects of the 60s and 70s is well documented.

The starting point was the brutal reversal in the balances of social forces, to the benefit of capital, which occurred in the 80s. Dominant capital, as represented by the TNCs, moved into the offensive, operating in Africa through the so called « structural adjustment programmes » enforced throughout the continent since the mid 80s. I say so called because in fact those programmes are more conjunctural than structural, their real and exclusive target being the subordination of the economies of Africa to the constraint of servicing the high external debt,

which in its turn, is to a large extent the very product of the stagnation which started appearing in the LDCs along with the deepening crisis of the global system.

During the two last decades of the century average rates of growth of GDP have fallen to roughly half of what they had been in the previous two decades, for all regions of the world, Africa included, except for Eastern Asia. It is during that period of structural crisis that the external debt of third world countries (and Eastern Europe) started growing dangerously. The global crisis is indeed – as usual – characterised by growing inequality in the distribution of income, high rates of profits, and therefore a growing surplus of capital which cannot find an outlet in the expansion of the productive systems. Financial alternative outlets have to be created in order to avoid a brutal devalorisation of capital. The US deficit, the external debt of third world countries are responses to that financierisation of the system. The burden has reached now unsustainable levels. How could a poor African country earmark half or more of its exports simply to pay the interests of such a debt, and simultaneously be requested to be « more efficient » and « adjust » ? Let us remember that, after world war I, the payment of German's reparations did represent only 7 % of the exports of that industrialised powerful country. And yet most economists at that time considered the level too high and the « adjustment » of Germany to it impossible ! Germany could not adjust to a loss of 7 % of its export potential, but Tanzania is supposed to be able to adjust to a loss of 60 % of it !!!

The devastating results of these policies are known : economic regression, social disaster, growing instability and even sometimes total disruption of whole societies (as in Rwanda, Somalia, Liberia, Sierra Leone). During the whole 90s Africa's rate of growth of GDP per capita has been negative (- 0,2 %) Africa being alone in that case. As a result Africa's share of global trade decreased. That fact is precisely what is being qualified as « marginalisation ». Instead one should speak here of a dramatic mal-integration in the global system. Conventional neo-liberal economists pretend that this is only a « hard transition » towards a better future ! But how could it be ? The destruction of the social tissues, growing poverty, the regression of education and health cannot prepare a better future, cannot help African producers to become « more competitive » as requested from them. Quite the opposite.

This neo colonial plan for Africa is indeed the worst pattern of integration in the global system. It cannot produce but further decline of the capacity of African societies to meet the challenges of modern time. These challenges are surely to a certain extent new, relating to the long run possible effects of the ongoing technological revolution (informatics) and through them, on the organisation of labour, its productivity and new patterns of the international division of labour. What ought to be said in this respect is that all of these challenges are operating in the real world through conflicts of strategies. For the time being the dominant segment of global capital – the TNCs – appears to dictate what is favourable to the progress of its particular strategies. African peoples and governments have not yet developed counter strategies of their own similar perhaps to what Eastern Asian countries are trying to push ahead. In that frame globalisation does not offer to Africa any solution to any of its problems. Foreign direct private investments in Africa are, as everybody knows, negligible and exclusively concentrated on mineral and other natural resources. In other words the strategy of TNCs does not help Africa moving beyond a pattern of international division of labour belonging to the remote past. The alternative, from an African point of view, needs to combine the building of aut centered economies and societies and participating to the global system. This general law is valid for Africa today as it has been throughout modern history for all the regions of the world.

It is still too early to know if the African peoples are moving towards that goal. There are talks today of an « African Renaissance ». No doubt that the victory of the African people in South Africa, i.e. the breakdown of the apartheid system, has created positive hopes not only in that country but throughout large parts of the continent. But there are not yet visible signals of these hopes cristallising into alternative strategies. That would need dramatic changes at various national levels, going far beyond what is generally suggested under the labels of « good governance » and « political multiparty democracy », as well as at regional and global levels. Another pattern of globalisation would therefore gradually emerge from those changes making possible the correction of the mal integration of Africa into the global system.