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FTM/10 (27)

AFRICA: THE PAST THREE DECADES - AN EVALUATION

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JANUARY, 1976

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It is no revelation that the past three decades' development experience in Africa has been a total failure. The euphoria that accompanied the granting of formal independence during the latter half of this period has given way to bitter disappointments, recriminations and successive *coups d'état* as more and more latter-day 'saviours' (usually the armed forces) present themselves to 'liberate' the people from underdevelopment. They promise much - and often choose their names accordingly; National Liberation Council, National Redemption Council etc. - but try as they might, they usually end up as internal occupation forces. There are few countries in Africa today that cannot boast of a series of governments and/or development plans; but all these notwithstanding, no ground has been gained even in the rather dubious avowed official policy of catching up with the industrialized west, not to mention the laying of the foundations for a more self-centred autonomous development. The record of the performance of African economies over the past fifteen years or so does in fact demonstrate this.

According to the Economic Commission for Africa.[1] "In the early 1970s the over all economic performance of the 41 independent developing African countries as measured by the output of goods and services continue to give cause for concern," (P.1) and for good reason. In 1972 the overall rate of growth was only 5.4% and an even poorer 4.0% in 1973. In per capita terms, the rate of growth for 1971-1972 was only 2.6%. What this figure hides, however, is the fact that in fully sixteen countries, GDP per capita actually fell. These are the 16 countries which according to the E.C.A. "recorded either negative rates or rates which were less than the average rate of population growth." (p.16) In fact most of the growth recorded in the overall figures were accounted for by only 10 countries. Considering the rather special circumstances that surrounded the 'miraculous' performance of these countries - i.e. the 'exceptions' consisting of countries such as Nigeria, Algeria, Libya, Tunisia, Ivory Coast and Gabon - can anyone doubt that Africa has yet, to get off the ground? We can say this with a lot of assurance especially when we note that in fact, 1971-1972 was a very good year by African standards: the record of the 1960-1970 decade speaks for itself. With the exception of the East African sub-region (which recorded average growth rates of 6.0% for the 1960-1970 decade as opposed to 3.9% for 1971-1972) in all subregions (East, North, West and Central according to the ECA classification) the 1971-1972 rates of growth of expenditure of GDP (at 1970 constant market prices) were definite improvements over the averages for the 1960-1970 decade. Over all the 5.4% rate of growth for 1971-1972 compares with an average of only 5.0 for the 1960-1970 decade. (P.31) Measured at 1970 constant factor costs, the discrepancy is even larger 6.1% for 1971-1972 as opposed to 4.7% for the 1960-1970 decade. For comparison; overall rates of growth (at 1970 constant factor costs) for 1970-1971, 1972-1973 were 3.9% and 4.3% respectively. We shall attempt to demonstrate (in a later section) that this extremely uneven performance (in terms of economic growth) both across countries within the region and over time, and feeble rates of economic growth overall are not simply the result of 'bad economic management' lack of skilled manpower etc; i.e. the usual bêtes noires but the logical consequence of externally oriented, dependent development.

In an earlier article we had stressed that one of the manifestations of the limitations of externally oriented growth (in addition to the obligatory correlation between the performance of the export sector and recorded increases in the Gross Domestic Product) is the dual structural crisis of public finance and the balance of payments. The crisis in public finance far from being the 'brainchild' of the African bureaucrat, is the result of the necessary increases in public expenditure arising from the infrastructural and educational needs (as well as military needs in order to maintain internal 'law and order') brought about by integration into the world capitalist system. At the same time, this integration limits the expansion of the economy's material base as the consistently poor performance of the economies of the African countries amply testifies. There is also an unavoidable tendency towards a deficit in the external trade figures because with growing export orientation and a narrowing of goods domestically produced for the internal market there is at the same time an expansion of the range of goods demanded as GDP increases and/or income distribution gets more highly skewed. The past decade's African experience also provides ample data to confirm the existence of this dual crisis:

In spite of the large increase in the value of exports in 1972 (about 18% over all, and incidentally, the reason for the relative improvement in the GDP growth figures for 1972), and in spite of this important difference with respect to the export performance of the previous years;

> In previous years virtually all increase in export revenue was accounted for by a small group of countries producing petroleum and other minerals, whereas in 1972 earnings also increased in countries which export a variety of agricultural commodities. (P.144)

fully 28 out of 41 African countries recorded substantial trade deficits. This in spite of the draconian measures adopted in some countries to restrict the volume of imports and in spite of the well-documented "time-lag between the realization of export earnings and their use to purchase imported goods." (P.144) In fact the overall trade surplus of almost 1,800 million $U.S. recorded for 1972 (as well as more modest positive balances for previous years) is simply an illusion (created by aggregation that fails to hide the fact that the large majority of African countries had trade deficits in 1972 and "with one or two exceptions, the same countries also had trade deficits in earlier years". (P.146)

In the area of public finance, it is superfluous to show that the budgets of the central governments of most African countries continue to exhibit growth tendencies. More relevant is the fact that;

> Loans and grants have constituted an important source of revenue for most African countries. Nearly all the French-speaking African countries depend on budgetary support from France while Botswana, Lesotho, Swaziland and the Gambia depend on budgetary support from the United Kingdom. In recent years a few countries, such as Niger in 1973 and Cameroun in 1970, have had to draw on their foreign reserves in order to balance their budgets. (P.188)

This is what we mean by a crisis in public finance. The structure of central government expenditure (both current and capital) would also seem to confirm our thesis; the data shows that compensation of employees, expenditure on education, infrastructure and (of late) defense continue to be overwhelmingly dominant.

We do not wish to suggest, however, that the major victims of the past three decades' development experience have been the conventional aggregate economic statistics; be they the feeble rates of growth recorded, or the perennial deficits in central government budgets (increasingly made up by domestic, foreign borrowing and external grants) or the constant balance of payments deficits. What the African situation clearly underlines is that the real victims of the past three decades' colonial and post-colonial 'development' charade has been the rural peasantry - fully 60% or more of the populations of most African countries - the urban slum lumpenproletariat whose numbers have been growing with astounding speed, not to mention civil liberties (especially in the last decade or so), as repression increasingly becomes the ruling elites' preferred antidote to the various 'social ills' identified by them.

Alongside the growing affluence of small segments of the population (the urban petit bourgeoisie and an emergent agrarian capitalist class) few would deny that there has been stagnation and in some cases deterioration in the standard of living of vast segments of the African population over the past three decades. And if past trends are any indication at all, the future prospects do not seem particularly bright. In fact, we are convinced that the recent famines in a number of African countries (supposedly caused by 'adverse' weather conditions) are simply a dramatic forerunner to the logical outcome of the past three decades development strategies.

For obvious reasons (and by that we do not mean 'lack of adequate numbers of statistical workers') statistical information on employment, unemployment, nutrition, mass poverty, income distribution etc. is the most difficult to come by. Still there are some rudimentary statistics that are at least suggestive of how well the populations are faring. For example, indices of per capita food production (over all Africa) reveal that per capita food production in 1970 (a year which precedes the so-called drought) was clearly lower than that of 1965. Since then, there has been a constant and consistent downward trend. Result; on the base of the 1961-1965 average = 100, per capita food production in 1973 stood at 97 compared to 102, 101, 101, 99 for 1965, 1970, 1971 and 1972 respectively.

It is clear that African countries are increasingly being obliged to make up this food deficit (but only in part*) through food imports. But it is also clear as to who are the main beneficiaries and victims of a situation which according to the ECA "is a cause for great concern". In fact the African situation is one that becomes more and more alarming with each passing decade; with the increasing predominance of rural

* The structure of imports 1970-1972 for example suggests that imports of food, beverage and tobacco in 1970 was about 13% of total All African imports. In terms of growth rates, however, with the exception of imports of 'other manufactures' (which grew at 6.1%) imports of food beverages and tobacco grew at the slowest rate (10.6%). The 'exception' moreover was simply indicative of the trend in import substitution industrilization, as imports of machinery and fuels grew at the astounding rates of 21.2% and 30.3% respectively. It is this that leads us to suspect that the food deficits are being made up only in part.

poverty-stricken masses, scandalous unemployment rates (even according to the grossly underestimated official rates) and especially in the urban areas, increasing inequalities in income distribution, and 'precarious' (to borrow the ECA's terminology) health situations in spite of increasing expenditure on health facilities. It remains for us to outline the characteristics of dependent development in Africa and to demonstrate that no other results could have been expected.

Despite diversity in avowed official policy (strategies of development) the past three decades have witnessed the consolidation of peripheral capitalism in all African countries without exception. The main characteristic is clear; derived development within the context of the World Capitalist System. In this context, development in Africa becomes a by-product of the development of the industrialized west, on whom the African countries have become increasingly more dependent, though the modality of dependence-subordination may superficially have changed in any one country from one period to another and may differ between countries in the African region at any specific point in time.

But if we argue that the past three decades or so have witnessed the consolidation of peripheral capitalism in Africa it is precisely because we are aware that the recent past is only the culmination of a historical process; that of the emergence and consolidation of the world capitalist system. This is hardly the occasion for an in-depth analysis of the historical process of the implantation of dependency structures in Africa and specifically, its relation to different phases (modalities) of accumulation of capital at the centre of the world system - a task we have undertaken elsewhere.[3] Our starting point, nevertheless will be this blatant historical fact; that "Modern Third World economies originated as conquered economies: the dependent structures which characterize them today were initially imposed after actual or threatened armed conquest by Europe.[4] What is notable then is that beginning from the late sixteenth century (mercantilism, slavery) through the period of formal colonialization, Africa loses its autonomy, as henceforth Africa is totally shaped by the needs of metropolitan economies and societies.

Under Pressure of the people of the colonial countries and the development of national liberation movements in certain countries (peasant revolts in Kenya, national liberation movemnets in Algeria, Indochina etc.) the colonialists were obliged to grant formal political independence to the various colonies - late fifties, early sixties in Africa. We note, however that at time of the granting of formal political independence the transformation of the structures of the African economies was already complete. The pattern of the international division of labour which requires cheap primary commodities from the African periphery in exchange for a few manufactured products was quite clear. African economies then - as they still are after more than a decade and half of political independence - were what could only be described as fundamentally distorted. Abstracting from the massive surplus transfers (both direct and indirect - due to the operations of colonial policy, the operations of metropolitan concerns; banking institutions, mines, import-export trading houses as well as unequal exchange) the characteristics of the economies could be summarized as follows:-

1) the lack of symmetry between the structure of production and the structure of consumption (a fact which leads to the rather anomalous situation that in spite of the African countries being predominantly 'agricultural' they are food-deficit area: the best lands, resources, credit etc. being available only for the cultivation of agricultural explortables such as cocoa, coffee, cotton, groundnuts etc.);

2) the absence of a link between capital formation and the mass consumption goods sector (capital formation taking place only in the export sector, construction and the few luxury import substitution industries to be found in the capital cities), as well as the absence of linkages between the various sectors of the economies;

3) unequal growth and development and marked disparity not just at the level of the continent (the land-locked countries being practically neglected) but at the level of regions within the same country - the coastal areas and regions with good potential for the development of exportable being obviously favoured;

4) Technological dependence; as in fact few African countries have capital goods sectors as such, all equipment being imported.

These structural distortions, of course, constitute the essence of underdevelopment - not just poverty, which may (but not obligatorily) be associated with these distortions.

It bears pointing out that this model - that of peripheral capitalism - does not necessarily spell perpetual stagnation. The Ivory Coast type of 'miracles' (essentially a reproduction, sixty years later, of what happened in Ghana under British colonial rule, and comparable to the experience of Senegal during the latter half of the 19th century); are predictable at the start of intensive and systematic exploitation of the territories for an externally oriented 'development'. The 'spectacular' performances of the economies of Ghana (during the phase of the establishment of a cocoa plantation economy); Senegal (with the implantation of a groundnut economy); Mauritania (currently and thanks to the extraction or iron ore at Miferma), Nigeria, Libya and Algeria (based on oil) are ample testimony to this. Equally predictable, however, is the stagnation, cessation of growth and crisis that inevitably follow such distorted spectacular performances. We have already made reference to the dual structural crisis in public finance and in the balance of payments that inevitably trail the initial stages of 'development' euphoria of such spectacular performances. Equally as important is the fact that the path of development centering mainly on the orientation of producers towards primary commodities or extractive industries for export is severely limited (be it only because the growth of international demand for such products cannot be adequately supported for the entire Third World, nor is it in any case subject to Third World policy). The African experience also shows that spectacular performance of the export sector is not necessarily accompanied by similar performance in the other sectors of the economy. On the contrary stagnation and even decline seems to be the general rule. This is easily explained by the perverse enclave character of the export sector. For in spite of the absence of conventional interindustry linkages between this sector and the other sectors, and in spite of the fact that the export sector typically engages a very limited number of the work force (5% to 7%) it nevertheless attracts a disproportionate share of crucial accompanying resources: skilled manpower, credit, capital, the attention of the extension services, land etc.. Further even the limited employment generation effects of this sector is bound to decrease over time since competition demands the use of modern techniques these sectors.

More ominous, however, is the very close correlation between those areas which do experience rapid spurts of economic activity based on the promotion of agricultural exports and the development of a black rural bourgeoisie. The recent experiences of Nigeria and Algeria would also seem to indicate that such a development is not limited to the agricultural export trade but to the extractive industries as well; witness the rapid development of Nigeria's "oil millionaires" and the development of a bureaucratic petty-bourgeoisie in Algeria under the aegis of a regime which is at best 'non-alligned' or 'intermediate' (not to mention state capitalist) and having as its basis, a class alliance composed of the peasantry and the unorganized mass proletariate under the strong leadership of the petty bourgeoisie.

The development of a black rural bourgeoisie requires that four conditions be met. The first of these conditions seems to be the existence of a traditional society sufficiently hierarchical so that certain kinds of heriditary chiefs possess enough social power to appropriate for themselves important parcels of tribal lands. It is in this way that traditional tribal heads of Ghana, Southern Nigeria, Ivory Coast and Uganda were able to create, to their profit, a plantation economy.

The second condition is an average population density of the order of ten to thirty inhabitants per square kilometer. Any lesser density makes private appropriation of lands ineffective and the potential supply of paid labour insufficient. The mechanism of proletarianization is considerably facilated when there is a convenient source of foreign labour, as is the case with the Voltaics and the Ivory Coast. At a second stage, the younger members and dependents of the families of the original planters can in turn be proletarianized. Densities that are too great, as in Rwanda and on the Bamileke plateau in Cameroon, make it difficult for the chiefs to seize control of sufficient land.

The third condition is the presence of fertile soils, making it possible with very little mechanization and, hence, with low rate of productivity in an agriculture which is still largely extensive, to produce, per man-acre, an adequate surplus from the very start of development.

Finally, the fourth condition requires that the political atmosphere be favourable to this type of spontaneous development. The relative ease of private appropriation of land, the freedom of work, and the credit awarded to individual farmers have everywhere played an important role in the establishing of this rural bourgeoisie. Very characteristic of this was the abolition of forced labour in the French colonies in 1950. The typically middle-class demand for freedom of work allowed the Ivory Coast planters to profit from a flood of immigrants unparalleled in strength by the number of workers recruited by force and, until then, assigned solely to thd French planters. It also made it possible to organize a great political battle in the country, with the peasant victims of forced labour backing the native planters. On the other hand, in certain areas, such as the lower Congo, the paternalism of the Belgian "paysannats" undoubtedly played a negative role in checking the tendency towards the development of a bourgeoisie. Is it not noteworthy that when the political structure of the "paysannats" was swept away after independence such a bourgeoisie was able to pave the way for its own development? In six years, from 1960 to 1966, commercial food production in the lower Congo quadrupled. It should also be noted that for the first time, on a large scale, the course of capitalist development had stemmed not from export goods but from food products stimulated by the demand from Kinshasa. It should certainly also be noted that another condition in the lower Congo - the possibility of using foreign labour - was finally met in 1960, thanks to the refugees from Angola. The politics of apartheid and "preserving African traditions", practised in South Africa and Zimbabwe, are obviously obstacles to the progress of a black rural middle class.

We do not intend to belittle the dynamism of this form of agrarian capitalism (based on small family propertised but of sufficient size, nevertheless, to be able to support a capitalist form of production, i.e. recourse to wage labour). On the contrary, whenever the conditions for the emergence of this form of agrarian capitalism are met - and only under these circumstances, as the African experience demonstrates - will economic stimuli (improvement in the relative prices of farm products, be they food or export products) be effective. But the transferring of the worldwide structures of relative prices from the centre to the periphery - more precisely through that international market which the Pearson Report, for example, so adamantly defends - is certainly at the bottom of the failure of the agticultural food production stimuli. The devastating competition of American "relief aid" is certainly to be noted here. Because of the fact that international prices are imposed upon the African periphery, where today the internal relationship between agricultural productivity and industrial productivity is so different from what it is at the centre, the farmers are continually left with the short end of the stick. It is this worldwide transferring of price structures that orients producers toward export commodities, thus limiting any possible progress precisely because the path of progress based on agrarian capitalism is narrowly limited by integration into the international market on which it depends.

The nature of peripheral social systems in fact allows the centre to appropriate to itself, through the breakdown of exchange terms, productivity gains made in agriculture in the periphery, while the periphery is concentrating on exports. The deterioration of these terms for peripheral trade as a whole has been over 10% since 1954. For agricultural products, the percentage is even higher. Moreover the economic stimuli have had only limited effects, since they are of interest to a minor fraction of the rural population.

It is therefore the outward-oriented nature of the African economies (their links to foreign trade) which is at the basis of the systematic biases in their development and distortions in their economic structures: The biases and distortions taking the form of imbalances between the production structures and the consumption structures: marked and accentuated sectoral disparities; increasingly unequal distribution of incomes, technological dependence etc.. For, it must be stressed, outward looking growth is of necessity unequal, chaotic, and regularly blocked; in sum it is too slow to avoid the continuous widening of the gap between the rich and the poor nations, and it is incapable of avoiding repeated misfirings of attempts to get off the ground.

Faced with two formidable tasks; namely the national problem (of disengaging from the world capitalist system and neutralizing the domination of foreign capital especially in the so-called modern sectors in <u>all African countries</u>) and the development problem, (the latter demanding essential structural changes and can be only inward-looking and self initiated and <u>socialist</u> if such development is to lead to an equitable and just society), most of the current African regimes have been content (under the flag of economic 'liberalism') to follow the same colonial and neocolonial policies; while others, the so-called 'radical' or 'progressive' or 'intermediate' regimes content themselves with half-measures.

The key to understanding which African country takes the option; i.e. economic liberalism or the so-called 'non-capitalist' option to development, is to be found in the class nature of the state as well as the historical conditions for the emergence of the class alliance which controls the state apparatus. For countries of the first category; the colonial and neocolonial states (which would include all African states with the exception of Algeria, Tanzania, Congo Brazzaville and possibly Somalia, Dahomey, Madagascar and Ethiopia, and Egypt and Nigeria but for distinctly different reasons and excluding also Mozambique, Guinea Bissau and Angola it is clear that the political struggle is hardly developed because their path is yet to be definitely determined; thus the question of disengagement from the world capitalist system is not even put on the agenda. Further the indigenous bourgeoisie which nominally controls state power is decidedly too weak to even pose the question of its position with respect to the international division of labour. For such countries then 'development' follows the classical pattern of unequal international division of labour, namely, exports of raw materials (agricultural and mineral) in exchange for manufactured products. While this pattern does not exclude light manufacturing under import substitution schemes, it is typically under the total control of multinational corporations with all the open and hidden surplus transfers implied by it. That this model leads only to a limited development of a new privileged local strata, almost entirely of an administrative type, whose prosperity and power depends to a great extent on foreign aid and shows no evidence of economic dynamism; apathy among the masses; political instability as different personalities (always among this privileges stratum) struggle to become the direct recepients of 'foreign aid'; greater and greater dependence and the accentuation of underdevelopment, needs no further elaboration.

We excluded Nigeria and Egypt from the first category of African states because they are two countries which have either developed or are in the process of developing the conditions that may possibly qualify them for the role of imperialist relays. These conditions being advanced proletarianization, and political, ideological and economic domination by a well developed local bourgeoisie powerful enough to negotiate with imperialism and to challenge the international division of labour. What these countries could conceivably demand (if they opted for the role of imperialist relays) would be a restructuring of the world capitalist system but clearly not for a break with it. In this situation the type of development that could take place (under a nationalist liberal capitalist label) would in fact be new in relation to the classical neocolonial pattern; including, for example, rapid industrialization for export. That this path may not, however, lead to any veritable development is amply demonstrated by the Brazilian situation. The major weakness of such countries being their incapacity to solve neither the agrarian problem (in spite of land reforms which might be undertaken), nor the employment problem not to mention the problem of income and its equitable distribution.

This then leaves us with the so-called "intermediate" regimes opting for a "non-capitalist" option to development; Algeria and Tanzania being the most easily identifiable prototypes within the African context. It is tempting to withhold judgement on these regimes precisely because at first glance, it is not immediately apparent what they are questioning; i.e. whether they are questioning the structure of the international division of labour or are proposing a break with the world capitalist system. It is clear that the class nature of these states (basically a worker-peasant alliance under the very strong leadership, not to say hegemony, of the petty bourgeoisie) obliges that 'non-allignment' or 'non-capitalist' options be put on the agenda. In practise, however, this simply has meant in the African case, a petty-bourgeois directed rapid industrialization schemes, with the state sector occupying preponderant position; thanks to nationalization (often partial) of foreign-owned assets. This industrialization schemes, of course, feeds on massive imports of foreign capital and technology; witness the Algerian case, and opens fantastic avenues for the petty-bourgeoisie, to wit; they become the directors of the nationalized companies, the deputy directors, engineers, inspectors etc., and unquestionably tends to consolidate the dominant position of this class. Production relations, even in the public sector, and in spite of numerous experiments with 'worker-participation' and worker self-management schemes, remain basically indistinguishable from production relations in purely capitalist enterprises.

In the agricultural sector, in spite of agrarian reforms (which may be quite radical) and in spite of attempts at 'the modernization of agriculture' (or perhaps because of it) the problems of unemployment and under-employment never seem to be solved. It is these features that lead to demand more profound changes from such regimes and also lead us to seriously question whether a petty-bourgeois state, no matter how 'radical' and professed anti-imperialist, will be capable of carrying the national liberation struggle to its very end, or can set the stage for veritable socialist transformations of the society.

If nothing else, the experience of the African countries over the past three decades does demonstrate that the development of the Third World is only possible within the framework of socialist systems organized over large <u>self-reliant</u> regions. Development should be regarded as a continuation of the political struggle for independence; the error of the past three decades is that development has not been viewed sufficiently in this light and the record demonstrates it.

FOOTNOTES

1. All statistical information used in this articles is based on the Economic Commission for Africa's Survey of Economic Conditions in Africa, 1973 (part 1). United Nations, New York 1974. Where necessary (such as in cases of direct quotations) page numbers are put in brackets.

2. See Samir Amin, Development and Structural Changes; African Experience IDEP/REPRODUCTION/373. (Dakar, Dec. 1974).

3. See Samir Amin Underdevelopment and Dependence in Black Africa; Their Historical Origins and Contemporary Forms. IDEP/REPRODUCTION/277 (Dakar 1971).

4. Philip Ehrensaft, "Semi-Industrial Capitalism in the Third World; Implication for Social Research in Africa" Africa Today (Denver) vol. 18 No. 1 January 1971, p. 54.