

ECONOMIC POLICY AND CONFLICT IN AFRICA

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Abstract

The essay seeks to explore the link between economic policy and conflict in Africa, locating the analysis within the global systemic paradigm rather than using the narrower nation- and ethnicity-oriented paradigms. The analysis distinguishes between economic resources and economic policy. It argues that although in Africa (as in most parts of the Third World) direct control over economic resources is still the main objective of the major international actors, there is a major shift towards the control over economic policy as a means to control the resources, and now increasingly towards the control of the African state itself. This distinction between economic resources and economic policy helps to explain why there is so much emphasis these days on matters of democracy, good governance, the rule of law, corruption, and other such instruments of state policy and practice.

Dominant Theories of Conflict and International Economic Development

Mainstream theory tends to focus on national or 'internal' rather than systemic causes for conflict and for underdevelopment. These theories serve as the underlying justification for how and why some countries are developed (or not) and what can be done to promote development and international peace.

The Dominant Developmental Theory (DDT) is a sub-set of the larger corpus of economic thought which is collectively known as neoliberal theory. The proponents of this theory argue, in essence, that if you open up your countries and bring down your barriers to trade and the flow of capital, you will attract foreign direct investment and technology, achieve competitiveness in the global market, remove inefficiencies in your economies, and, although there may be painful adjustments in the short run, the benefits in the long run will bring growth and (ultimately) remove poverty from Africa. To the extent that this is not happening, they argue, it is because African governments are timid in liberalising their economies, narrowly nationalistic, protectionist, and above all, corrupt.

These theories have very little resonance with the reality on the ground, for they cannot really explain why the gap between the West and Africa grows apace, and poor Africans are now poorer. This is not a purely African phenomenon, but a global one. For example, the UNDP in its Human Development Report of 1996 says: 'The world has become more polarised, and the gulf between the poor and the rich of the world has widened even further.' It goes on to say that of the US\$23 trillion global GDP in 1993, US\$18 trillion is in the industrial countries and only \$5 trillion in the developing countries, even though they have nearly 80 percent of the world's people. The poorest 20% of the world's people saw

their share of global income decline from 2.3% to 1.4% in the last 30 years. Meanwhile, the share of the richest 20% rose from 70% to 85%. The gap in per capita income between the industrial and developing worlds tripled, from US\$5,700 in 1960 to US\$15,400 in 1993. Africa, says the report, is the hardest hit. Twenty countries in Africa have a per capita income lower today than 20 years ago.

There are several flaws in the DDT, but the main flaw has to do with its epistemological foundations. The DDT is essentially an abstraction from reality. For instance, to take only one example, the concept of 'free trade' that is so central to it – one of the main pillars of its theoretical architecture – is pure fiction. 'Free trade' does not exist, has never existed, and never will. From the mercantile period of the 16th Century when Europe expanded outwards, to the contemporary times when trade is dominated by the transnational corporations, all international trade is conditioned by those countries (and enterprises) that have either the power of capital, or power over the market, or, in the final analysis, military power. The power factor is systematically excluded from all DDT analysis, and therefore all mainstream economic analysis is an abstraction from

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reality. The free market turns out to be no more than an ideology, a set of propositions that camouflage reality and obscure the real interests of those that wield power in the market. There is no mainstream economist who will ever be caught talking about the 'empire' or 'imperialism'. It simply does not exist in their vocabulary. Talk about it, and they will accuse you of 'talking politics', something that must not be allowed to corrupt, to infiltrate, the 'discipline' of economics.

As with development theorists, so with mainstream contemporary peace theorists – or the Dominant Peace Theory (DPT). At most the DPT recognises two levels of analysis. One is at the level of the grassroots, and focuses on the effects of war or violence on the lives of the ordinary people, just as it also tries to explain the causes of violence in terms of what divides the people, mostly in terms of ethnicity, religion and race (and those that have some exposure to Marxist thought, in terms of class). The other is at the national level, and focuses on such factors as governance and democratic deficit. They, too, like their economic colleagues, have a blind eye for the Empire or imperialism. Except for a fringe element, the existence of the Empire is simply obliterated from their analysis. They make erudite and deeply philosophical (and intellectually quite engaging) excursions into notions of peace and justice, healing and reconciliation, and all the paraphernalia of the so-called 'peace theorists', but talk about the Empire and imperialism, and they will recoil as badly as their developmentalist colleagues (Sterba 1998; Weiner 1998; Ruben 1999; Kapstein 1999).

Why is this so? In the case of institutional theorists (those who work, for example, in the United Nations, the World Bank, the International Monetary Fund, the World Trade Organisation and the Organisation for Economic Cooperation and Development, the explanation is straightforward. These institutions are dominated by imperial countries. However, this fact cannot be given credence by anybody who works in these institutions. You can talk about 'balance of power', you can talk about 'unequal voting in decision-making' (for example in the IMF), you may even get away with the word *hegemony*, but to actually identify the United States or the European Union as 'imperialist' countries in any of the official documents would be tantamount to sacrilege, a violation of the unstated code of ethics and language that says that you must not point a finger at the nakedness of the Emperor.

Those who work for the IMF, the WB, the WTO and the OECD cannot (by choice) or do not (because of ignorance) point to the imperial factor as the major reason for the impoverishment of the countries of the Third World. There are very specific historical and political reasons for the fact some countries in the South (such as the four 'Tiger' economies of East Asia in the 1960s and 1970s, and Malaysia, India and China in more recent decades) have managed to

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grow. Briefly, the 'Tiger' economies grew during the height of the Cold War when the US needed them to fight against communism, and allowed these countries not only free access to technology but also access to the enormous American market. Malaysia, India and China have grown primarily as a result of their nationalism, and the relatively successful domestic capitalist class that resisted the domination of American, European and Japanese corporations, choosing when necessary to enter into joint ventures rather than abandon the field to

them. These countries worked within the dominant economic theory of the market, but did not allow the theory to dictate their economic policies to the detriment of the nationalist bourgeois class. This is a class that is singularly missing in Africa.

Apart from these 'deviants', the rest of the world (including most of Africa and Latin America) have been dominated by neo-liberal economics whose 'developmental' prescriptions have increased rather than reduced their mass poverty, as also the gap between them and the West (as the UNDP figures quoted above testify).

If the official strictures against pointing a finger at imperialism as a causal factor for both the impoverishment of the South and the increasing violence in this region explains the carefully self-censored writings of those who work in the United Nations, the World Bank, the IMF and the OECD, how does one explain a similar kind of behaviour on the part of the Western academic community in general? Of course there are writers such as Noam Chomsky who have no problem identifying imperialism as the main causal link between conflict and economic policy (Chomsky 2000). But by and large there is much reticence on the part of Western scholars towards identifying (let alone pointing a finger at) imperialism as the root cause of many of the problems of the contemporary world. And the explanation probably lies in ignorance and self-censorship. The former is clearly a result of poor education, but the second is more likely a result of what the American scientist, Thomas Kuhn, called the tendency to conform to the dominant paradigm. 'Normal' science, he says, tries to suppress 'subversive' knowledge (Kuhn 1970:5). 'Normal research' at the empirical level, he says, has three objectives: find new areas in which agreement can be demonstrated; attempt to demonstrate agreement; fact-finding to resolve residual ambiguities at the theoretical level, paradigm articulation, clarification and reformulation (Kuhn 1970:33).

In the academic world of the West, there is something called 'peer review' of writings that are offered for publication in 'reputable' journals. Nobody that I know of has carried out a political analysis of what this 'peer review' tends to do, but it seems reasonable to think that while it no doubt helps to improve scholarship, its additional function (speaking in general terms) must be to fulfil the three objectives of 'scholarship' suggested by Kuhn. Thus, for example, the bulk of the publishable material (in Western newspapers and scholarly journals) on the issue of the present situation in Zimbabwe seeks to endorse the dominant view that it is the problems of governance, lack of democracy and the violation

of human rights that lie at the root of the crisis – rather than, for example, the (justified or unjustified) interventions of the British. Very few bother to unpack the concept of human rights, or to locate it in a proper historical and political-judicial context. The hegemonic powers are thus protected from scrutiny, let alone criticism.

This essay is an interface between conflict and economic policy, and tries to offer an alternative analysis to the dominant paradigms. It tries to locate the discourse on economic policy and conflict on the global terrain. Instead of looking at how the tables and chairs may be shifted in the room (peacekeeping, reconciliation, fiscal policy adjustment, good governance etc.), the essay seeks to look at the whole architecture of the building, and the designers who constructed it, giving a more systemic analytical framework to the link between conflict and economic policy. Good governance and democracy as well as Structural Adjustment Programmes (SAPs) and the like, for example, become not 'solutions' to the crisis Africa faces, but because they are self-serving tools of imperial powers, they become potentially the very causes, the very reasons, for conflicts in Africa (see however Malhotra 2000).

Systemic versus Non-Systemic Approaches to Understanding Conflict

The present analysis departs radically from the 'modernisation' paradigm that seeks to understand conflict primarily in terms of forces within the domestic, or national, confines – such as those based on ethnic (tribal), racial, religious and regional divisions. This narrow, non-systemic paradigm has a long history traceable to colonial anthropological studies, when the ideologists of the Empire argued that the problem with the 'natives' was that they were not 'civilised' enough. Consequently, 'modernisation' was necessary 'for their own good' in order to liberate them from their 'backwardness' and historical inertia.

This theory has evolved over the decades through many forms of arguments, putative evidence, and idioms. More recent expressions of this perspective, however, have moved

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their 'modernisation focus' from pure economics to 'correct institutions' and 'correct forms of governance' and fuller 'integration' within the global economy. Corruption, the democracy deficit and, more recently, the tendency towards 'terrorism', have become the underlying factors explaining conflict in the countries of the South, and their relations with the more developed (ergo, 'more civilised') countries of the North.

In contrast to modernisation theory's narrow focus, Johan Galtung, the veteran Norwegian peace scholar, gave us the terms 'structural violence' and 'centre-periphery' in the early 1970s in order to underline the global and systemic nature of conflict in contemporary times. Galtung re-framed the study of conflict, explaining how the embedded relationships within the system constitute structural, as opposed to conjunctural, violence (Galtung 1974). In essence, the centre-periphery theory highlighted what today is referred to as North-South divide, although theoretically this divide is not as crude or stark as its geographic expression might suggest. For Galtung there is a centre within the periphery just as there is a periphery within the centre. He argues that both privileged and oppressed peoples live in both the centre (the North) and the periphery (the South), and suggests that although the centres on either side of the divide had common interests, the peripheries in both spheres were fragmented. In more recent years Galtung, as head of Transcend, has examined

practical ways of conflict resolution at all levels – from issue-based struggles about ethnicity, race, class and gender in domestic conflicts, to major international conflicts between states along economic and religious lines (Galtung 1980, 2000, 2004).

Parallel to this conceptual model was the model presented by a genre of neo-Marxist centre-periphery theorists in the 1960s and 1970s who first made their intellectual debut among Latin American scholars, and had a major impact in Africa, especially the Egyptian scholar, Samir Amin. Sometimes known as the ‘dependencia theorists’, these scholars add an explicit class dimension to the theory, arguing that the ‘underdevelopment’ of the periphery countries resulted from the exploitation of workers and peasants – and transfer of wealth – from the South by the ruling classes and capitalist corporations of the North. All endemic contradictions in the South could, ‘in the final analysis’, be traced to this overall systemic determinant. The implication of this analysis was that economic development of the South was a minimum prerequisite for conditions of peace, but it could not be achieved unless the South first liberated itself from the domination of the North. Under present conditions, therefore, little prospect for development existed, and hence little prospect for peace in the South.

The centre-periphery and ‘underdevelopment’ theories suffered a setback in the 1980s and 1990s, but in more recent times different versions of these have experienced a resurgence. One current version is known as the ‘global systems theory’. Analysts in this mode, like the Caribbean scholar, Keith Nurse, have gone further than the centre-periphery paradigm by arguing that scholars must make an epistemological break from the past and deconstruct prevailing social theory in order to expose the ideological underpinnings of an unjust world; this ideology lies at the heart of modern conflicts. ‘As a start,’ Nurse and Stewart say, ‘the South needs to challenge the knowledge monopoly of the North and the intellectual division of labour, which perpetuates the dominance of Western epistemologies to the exclusion of alternative critical perspectives. This calls for the inclusion of alternative development theory and praxis’ (Nurse & Stewart 2004).

In the space between the broad systemic analysis on the one hand and the narrower ethnic analysis on the other fall other theoretical paradigms. One of these, for example, seeks to interpret ethnic clashes as primarily expressions of class conflict. Put it differently, they see underlying class contradictions projected as ethnic clashes. Thus, for example, in the case of the conflict in Rwanda, the most generally understood (or, as the class analysts would argue, misunderstood) characterisation of it is in terms of ethnicity – in this case, as conflict between the Bahutu and the Batutsi. These authors would argue (to simplify it) that the Bahutu have been the ‘underclass’ consisting largely of the peasantry, overlorded by the ‘upper class’ Batutsi herders. According to this analysis, in the colonial period the colonial administrations favoured the upper classes as agents of rule, only to shift their political support to the lower Bahutu class which, in 1959 revolted against the Batutsi, took over power, and carried out mass killings and expulsions of the Batutsi. That sorry saga continues to this day.

The political implications of these two sets of (in this essay, somewhat simplified) theories, as stated above, is that for the systemic theorists, the main theatre of struggle is the global arena and its main objective is the liberation of the South from the domination of the North. For the non-systemic theorists, the main theatre of struggle is the national arena, and its main objective in more recent times is defined as democratic governance and integration into the global economy. The first leads to the politics of liberation from the Empire, starting from within the South, and the second leads to intervention of the Empire in order to ‘adjust’ the South to a model of economic development and governance designed by, or modelled after, the North.

Who Makes Economic Policy in Africa?

Corresponding with the above dual theories about conflict are theories about who makes economic policy in Africa. Once again, the narrowly focused theories take a formalistic view on this matter, arguing, (to put it simply) that Africa makes its own policies, for have not African countries now attained political independence? Indeed, by definition, it could not be otherwise, for even if there are external influences on these policies, at the end of the day the governments in Africa have to decide whether to admit these influences or not. They are, after all, sovereign nation states, and can make their own decisions.

The broader systemic theory argues that the global economic dimension is critical in the making of economic policy, that although African states are formally sovereign, they do not have the same degree of realistic options as do developed countries in making their economic policies. They are, in reality, takers

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rather than makers of their economic policies, under policy frameworks and theoretical paradigms set by the developed countries, international donors, and by institutions such as the IMF and the WB. Even minor adjustments such as on fiscal and monetary policies are often made in Africa within the overall framework designed for them, such as for example, the Structural Adjustment Programmes (SAP). Even when 'sovereign' African states appear to be making policies, they are akin to re-organising the furniture in the room; the whole

building is designed and built by the major industrialised countries, and developing countries' national policy-makers have little or no control over the architecture.

Instead of looking at this proposition at a theoretical level, let us take a case study of one sector – agriculture – and see how policies have been crafted in this, arguably the most important sector of African economies. Historically, we know that African agriculture was designed to service the raw materials needs of the imperial countries. The question is: has anything changed since independence? There is, of course, some evidence that a few countries in Africa have moved up the value chain and have developed certain elements of manufacturing, service and tourist sectors. But overall it would be difficult to deny that agriculture has remained more or less where it was left at independence. Despite much talk about diversification, there has been very little change in this sector, and few links connect it to other sectors of the economy. Indeed, whereas some years ago, Africa could produce bulk of its food requirements, over the last couple of decades it has become dependent on net food imports. There are many reasons for this, but one of the most critical and fundamental reasons is the embedded, i.e. structured, relationship that Africa has with Europe. It is important that this is properly understood, for its wider significance.

The main objective of the European Common Agricultural Policy (CAP) was to ensure food security for Europe in the context of the Cold War. Within Europe itself the policy was to sustain high-cost and market-inefficient (market-distorting) producers through minimum grower prices guaranteed by subsidies. Outside Europe, it was to give 'preferences' to the colonies – the so-called African, Caribbean and Pacific (ACP) countries – so that they produced essential foodstuffs for Europe at guaranteed prices that were higher than world market prices. Sugar, for instance, had a guaranteed market in Europe under a quota system that ensured that countries like Mauritius

could sell all their produce to Europe at premium prices, that then enabled the country to import its other requirements.

At the end of the Cold War, however, the high cost of storage and export refund payments were no longer justified; these had to end sooner or later. Secondly, Europe was coming under increasing pressure to remove subsidies on agriculture – which had been kept out of the General Agreement on Trade and Tariff (GATT) for many years – and liberalise it under the WTO. A third underlying reason for CAP reform was the agreement with the former colonies (first under Yaounde and then Lome) that secured for them high prices for several agricultural products and a guaranteed market in Europe. The former colonies

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had served the European purpose during the Cold War, but that strategic need had become irrelevant. Furthermore, high prices were a disincentive to industrial food processors in Europe, and the tariff walls of the ACP countries had to be torn down in order to provide a market for European industrial food products. To accomplish this change, Europe

shifted its relationship with the ACP countries from non-reciprocity to reciprocity – i.e. one in which the two parties dealt with one another on ‘on equal terms’. This was deemed to be the requirement under the WTO, and therefore binding. This, in essence, is the basis of the current EU-ACP negotiations, in which the ACP countries (most of which are African) are simply takers of decisions made in Europe for Europe’s interests.

The ACP countries have few options (SEATINI Bulletin 2004). They are simply expected to adjust to EU’s priority needs, almost instantly. Whereas Europe has taken almost 50 years since the Coal and Steel Community was created in 1957 to make structural adjustments, the ACP countries are asked to transform the agricultural sector in less than seven years (2000-2007). In the meantime, despite proclaimed reduction of subsidies, the EU continues to pay millions of Euros in subsidies of some form to European farmers (the subsidies having shifted from the disallowed ‘amber’ to permissible ‘blue’ and ‘green’ boxes under the WTO, a regime that the EU created under the Uruguay Round of Agreements for its own benefit).

These subsidies continue to undermine African agriculture, as well as agro-processing industries. For example, under a separate free trade area (FTA) agreement with South Africa, the EU can now export its subsidised beef, beef products and sugar-based and cereal-based products to South Africa. From here they gain entry into the neighbouring markets of Botswana, Swaziland, Lesotho and Namibia on account of a customs union (the South African Customs Union) between them and South Africa. These EU exports to Southern Africa are having serious negative consequences for the cattle industry in Botswana and Namibia, and cereal and sugar-based agro-based processing industries in all these countries, including South Africa itself (Goodison 2003).

Furthermore, in order to fit into the timetable of the EU, the ACP countries have been forced to reconfigure themselves geographically in order to negotiate with the EU on ‘Economic Partnership Agreements’ (EPAs).¹ All these developments can, of course, be explained in terms of these countries exercising their own options as independent ‘sovereign’ states. The reality, however, is that the options of developing countries are severely constrained by their place in the international economic system, which is not of their making, nor within their control. This relationship is grounds for conflict between Africa and Europe, but the hands of Africa are tied, since in the meantime Europe has

made Africa dependent on its 'aid', 'technical assistance', and market access 'concessions'. The relationship also creates conflicts between African countries, as they vie against one another for a bigger share of European market and 'development' funds.

Shift from Control of Resources to Control of Policies, and from Policies to Control of State

Indicatively speaking, one might say that from the colonial past to the present, Africa has passed through roughly three phases of control over it by more powerful interests outside the continent. The first was the direct control of both the state and the resources – direct colonialism; the second was an indirect control over the resources through now formally independent states – neocolonialism; and the third, the present post-Cold War phase, where the clock seems to be turning back to the first phase of more or less direct control over the policies of African governments – direct control over the state, with the new emphasis on 'good governance' and 'democracy'.

The first two phases are amply analysed and recorded elsewhere. Briefly, in the first phase, European capital went into production in Africa in order to produce for the needs of Europe. In opposition to this, the people of Africa eventually mobilised themselves in the struggle for national self-determination. In this struggle the popular masses were helped by the global geo-political configuration in which the old empires (the British, the French, the Portuguese, etc.) were gradually forced to yield to two new and more powerful empires in the making – those of the United States and the Soviet Union.

In the second phase – since liberation – independent governments tried to use the political space to acquire control over their economies. This period was well characterised by Kwame Nkrumah of Ghana as neocolonialism – Africans had gained formal independence but the economic resources were still substantially in the hands of the old colonial interests, now burgeoning as global players in the form of transnational corporations. But leaders like Nkrumah and Patrice Lumumba of the Democratic Republic of Congo were forcibly removed, and regimes put in place that answered to the needs of Europe and the West. By and large African countries remained embedded in inherited economic structures of dependence, still producing the same basic commodities for export (and indeed, at decreasing returns) and buying in return manufactured and capital-intensive products (at increasing cost).

Currently, we are in the third phase. The production of fuel, minerals and agricultural raw materials for the West, though necessary, is not enough. The West now wants total

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liberalisation of the capital market so that its corporations can come into Africa, do whatever they need to do to advance their interests, and have no encumbrances on externalising their profits. Furthermore, if African countries do not give 'national treatment' to Western transnational corporations, their governments can be hauled before the judicial panels of the WTO, and be subjected to sanctions. In order to force this kind of regime on Africa (and the

rest of the Third World), Europe (and the US and Japan) brought into the WTO the four so-called Singapore issues: competition policy, investment policy, government procurement, and trade facilitation (See WTO discussions, 2003). These were rejected by the developing countries at the very first conference of the WTO in Singapore in November 1996. The

Western countries have brought these up at every subsequent meeting of the WTO. At Cancun, at the fifth WTO meeting, they were once again rejected by the developing countries. Finally, at the General Council meeting of the WTO in July 2004, the Western countries managed to have one of the issues (trade facilitation) on the negotiating agenda of the WTO. These issues, too, like the agricultural case discussed above, are discordant issues, and potentially very serious. If the four Singapore issues do become part of the trading system, then there is no question that whatever little policy options that African governments have over economic policy will be lost.

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Although in Africa direct control over economic resources (mainly fuel, minerals and agricultural commodities) is still the main objective of the major international actors, there is a major shift towards the control over economic policy as a means to control over both the resources and the state in Africa. The importance of this distinction between economic resources and economic policy lies in the shift of international emphasis towards matters of democracy, good governance, the rule of law, corruption, and such other instruments of state policy and practice.

The Cotonou Agreement provides an example of this shift in focus. Under the previous Yaounde and Lome agreements the relationship between Europe and Africa was defined entirely in economic and financial terms. Under Cotonou, however, the EU has introduced issues of governance and democracy as part of this relationship. The ACP countries fought vigorously against this, arguing that it constituted interference in the internal affairs of their countries. But they lost the battle. And now, as part of the Cotonou Agreement, the ACP countries are obliged to follow a certain code of conduct that is imposed on them by the EU. Article 96 of the Agreement introduces good governance as a 'fundamental' element of the 'partnership', alongside the 'essential elements' of respect for human rights, democratic principles and the rule of law. The distinction between 'fundamental' and 'essential' is significant in that the latter's violation could lead to sanctions by the complaining party against the party that is in default. It does not take much imagination to understand that this is a purely one-sided arrangement, one in which the EU (acting collectively as one body) can impose sanctions on one or more of the ACP countries. The reverse is not a real possibility.

Among the countries that came under Article 96 sanctions is Zimbabwe. Following a controversial land reform exercise, which began in 2000, the EU decided to invoke Article 96 against the country in 2001/2004. Chris Patten, the then EU Commissioner for External Relations argued that Cotonou was 'no imposition'; it was an agreement 'between friends, a free covenant between sovereign states' (Patten 2002). He added: 'The rules of Cotonou apply to us as much as to any of the African signatories... If they have concerns about our conduct, they can use the same procedures to voice them.' In explanation of why the EU was insisting on sending observers to the 2001 elections in Zimbabwe, Patten said that the reason was that EU wanted 'to give Zimbabwe a chance' to show it took its 'democratic obligations under Cotonou seriously'.

So we notice a double twist in recent years in the relations between the West and Africa. The first is a shift from the control of economic resources to the control of policies (through instruments such as the Structural Adjustment Programmes), as well as and including

control over the resources. The second is the tightening of the screws from policies to the state itself. If African states do not conform to the standards of 'good governance' and 'respect for human rights, democratic principles and the rule of law' as set out in the Cotonou Agreement (to which, of course, the Africans have agreed as 'sovereign states'), then they can be subjected to sanctions by Europe, a measure which the Africans also (in recognition of the rules of reciprocity) can take against Europe. The following parable illustrates this absurdity:

Said the lion to the goat: 'I now have to eat you.'

'Why, Sire, what have I done this time?' begged the goat.

'Well, don't you remember,' answered the lion, "that we agreed that when we are eating, our beards should not move? And I just noticed that when you were eating grass, your beard was moving.'

'But, Sire," pleaded the goat, 'We never agreed to that; you forced that agreement on us goats.'

'That is not so,' thundered the lion, 'you agreed to that in your own sovereign will. You could have refused to sign the agreement.'

'Sire, that's not fair,' the goat was now becoming desperate. 'After all, when you eat your beard also moves.'

'Is that so?" asked the lion. 'Well, in that case, in recognition of the rules of reciprocity, you must exercise your right to eat me.'

With this the lion jumped on the goat and made a meal out of it.

Governance, democracy and the rule of law are, of course, positive values. But under them, Africa is not free to transform the inherited structures of economic relations between itself and Europe. Nor can African countries transform property rights within their own countries, without agreeing with Europe and entrenched vested interests on how and why and under what terms this might be done. People ask why it is that the Government of Zimbabwe waited for 20 years before doing anything about land reform. The same question might well be asked of the South African government. Ten years down the road since independence, only 4 percent of the promised land transfer has taken place. Why so? What are the limitations under which promises made by the liberation movements to the people remain unfulfilled ten, twenty or thirty years following 'liberation'?

Governance thus has become a potential (and in some cases, real) conflictual issue. People demand change in their lives. They put pressure on their governments to fulfil the promises leaders make to the people before liberation, after liberation, and during every electoral occasion. But there are powerful interests within these countries, backed by powerful countries outside that make changes impossible, except in terms dictated by the latter. Things, especially property rights embedded in the constitutions, do not change. So there are tension and conflict between the government and the governed, potentially even civil strife and, if things explode, civil war.

Governance issues are thus a source of conflict between people and their governments. They are also a source of conflict between Europe and Africa, as the example of Zimbabwe's land reform shows. And, at a third level, they are also a source of conflict among the African countries themselves. In the case of Zimbabwe, for example, the African countries

(especially, South Africa) have come under enormous pressure from the EU to impose sanctions against Zimbabwe. The government of Thabo Mbeki has refused to yield to such pressures, but this, in turn, has created tension between the government and sections of its own citizens over its refusal to impose sanctions on its neighbour.

The attacks of September 11 2001 intensified the extant relationship between the West and Africa, as Western countries can almost unilaterally decide to intervene in the countries of the Third World, if they are seen as threats to their security or strategic interests.

Read, for example, what the London *Financial Times*' Martin Wolf (a mainstream and respected economist, one not known for hyperbole) writes. Under the caption 'Failed States are a Danger We Cannot Afford to Ignore', Wolf quotes the Washington-based Centre for Global Development which puts the matter succinctly: 'The fundamental foreign policy challenges of our time - terrorism, transnational crime, global poverty and humanitarian crises - are diffuse and complex, with widely varying causes. Yet a common thread runs through all of them. They originate in, and spread to and disproportionately affect developing countries where governments lack the capacity, and sometimes the will, to respond.'

Failed states, in Wolf's own view, display three 'capability gaps' - failures to ensure security, to meet the basic needs of citizens, and to maintain political legitimacy. Wolf goes on to commend the Bush administration's 'imaginative' Millennium Challenge Account (MCA). The MCA provides additional assistance to the best, not the worst, performers, thus rewarding not the weak and the needy, but those that conform to the will of the United States. 'The World Bank's strategy of giving most help to countries with good policies and institutions has much the same effect.' The challenge, Wolf writes, is called 'nation-building'. And he adds: 'What is being demanded here is revolutionary: a reconsideration of the basis of the world's political order. Acceptance of the sovereignty of governments rests on the assumption that they possess a reasonable degree of benevolence and competence. The US has decided that it cannot, in the modern age, tolerate the survival of malevolent governments.'

Wolf's three 'capability gaps' of 'failed states' - failures to ensure security, to meet the basic needs of citizens, and to maintain political legitimacy - have the flexibility of application in virtually every country in Africa. If the security or strategic interests of the West are threatened, practically every African country could fit into the flexible definition of a 'failed state' that is unable to 'meet the basic needs of citizens' or 'maintain political legitimacy'.

To summarise, issues of governance and democracy, though inherently good values, are sources of conflict at three levels:

- Between the West and Africa when the West imposes its own criteria and standards of governance to advance, opportunistically, its own interests;
- As between African countries when they carry out the so-called 'peer review' of one another at the behest of the West; and
- Within the countries, between the population and the governments, because the latter are unable to bring about transformational changes on behalf of the people.

Increasingly then, African countries have become hostages to policies and practices of the West where 'regime changes' can be induced by the West in order to 'save' them from their own degeneration, and make them 'fit for democracy and good governance'.

Conclusion: Conformism, Resistance or Disengagement?

Given the above analysis, the inevitable question arises: what now? How does Africa get out of this dual bind of economic policy (determined by and large from outside the continent), and conflicts that arise from a combination of local factors and the dominance of, the global hegemons, the developed countries?

Clearly, under the conditions described above, Africa has three options: it can conform to the will of the *hegemons*; it can try to work within the system, but put up a resistance when the interests of the African people are at stake; or it can collectively disengage from the global system and negotiate its re-entry into it from a position of strength.

For the present, conformism appears to be the ruling strategy of almost all (if not all) African countries. For example, apart from its refusal to be bullied by Europe to impose sanctions against Zimbabwe, South Africa has, in general, tended to take the conformist stance in its relations with Europe and the US. For example, barely two years after independence, in 1996, the government replaced the Reconstruction and Development Programme (RDP) with the more explicitly conformist Employment and Redistribution (GEAR) strategy. It took on board, practically lock, stock and barrel, structural adjustment and trade liberalisation policies that are presented as if they are 'home-grown', but that has fooled nobody. GEAR's policies are quite explicit and practically untempered templates from the books of the IMF and the World Bank. One consequence of this, as noted above, is that little progress has been made on land reform, in part because the government is fearful that this would 'send the wrong signals' to potential investors, and thus jeopardise possibilities of getting foreign investment into South Africa.

Another strategic document that has come out of South Africa (in conjunction with Senegal, Nigeria and Algeria) is the New Economic Partnership for African Development (NEPAD). It was sprung on an unaware African population in 2001. NEPAD is a documentary symbol of our times. It encapsulates both Africa's predicament and its subservience to global

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capital. After having recounted Africa's dreary figures (about half of Africa's population, or roughly 340 million people, live on US\$1 or less a day, for example), and after having paying homage to self-reliance ('We will determine our own destiny'), NEPAD turns miraculously to 'our partners' in the North for

a 'new kind of partnership' which (shorn of feathers and flummery) comes down to 'please bring your capital to Africa', because Africa is suffering from a serious 'resource gap'. NEPAD sets Africa's growth at very modest but still unrealistic targets of 5.2% between 1995 and 2002, rising to 6.7% by 2015 (NEPAD 2001).

The basic problem, NEPAD says, is that Africa's rate of accumulation is not high enough to sustain improvement in the standard of living. And so Africa has to compete with the rest of the world to get access to foreign capital - foreign direct investment (FDI) - as the engine of growth in our epoch. No effort is made to put this assumption to question, or to unpack FDIs, or to examine what the historical role of FDIs is at this point in the development of capitalism, or to examine whether there might not be other ways of asset accumulation in Africa. Above all, however, the most symbolic aspect of NEPAD is when it comes to matters of democracy and good governance. These are to be put in place not primarily because they are good for Africa, in and for themselves, but because they are

necessary conditions to attract foreign capital. As the former Secretary-General of the Economic Commission for Africa (ECA), Adebayo Adedeji, says, NEPAD is yet another instrument crafted ostensibly in Africa but aimed at getting Africa to conform to the will of the West (Adedeji 2002).

A second alternative is for Africa to try to work within the system, but put up a resistance when the interests of the African people are at stake. This, obviously, can be done only if Africa is united. As individual countries they have little negotiating leverage on the system. One manifestation of this is the struggle that takes place in the WTO where rules are set for global trading system. Left unchallenged, the developed countries and their mega-corporations would use the WTO to pry open not only the market but also all policy space of countries of the Third World for more direct control. But the Third World countries are putting up increasing resistance. At the third WTO conference in Seattle in 1999, for example, Africa led the way to disengage itself from the greenroom, secret negotiations between the big powers and a few selected countries of the South. This contributed to the collapse of the conference. The Empire was able to regain lost ground at the fourth WTO conference in Doha in 2001. But at the fifth conference in Cancun, Mexico, in 2003, led by some of the larger countries in the Third World (such as China, India and Brazil) a group of 20 nations put up a spirited resistance against an attempt by the coalition of the US and the EU to impose a certain trade regime in agriculture. For their part, the smaller countries of the Third World (the G90, mostly African countries) effectively blocked the passing of the so-called Singapore issues (competition policy, investment policy, transparency in government procurement and trade facilitation) onto the agenda of the WTO. Had the big powers succeeded, these measures would have effectively eroded Third World countries' policy space to regulate their economies, and made further severe dent on their sovereignty.

Thus there are signs at the global level that the Third World is getting its act together. There are optimistic signs also at the national and regional level. Whatever one might say about the means used by President Mugabe of Zimbabwe to bring about land reform and ongoing questions about governance and human rights violations, there is no question that his unbending stand against enormous pressure exerted by the UK, the EU and the US has resonated with many in the Third World who would want to stand up to the Empire.

A third alternative Africa has is to disengage from the global system (selectively and in careful phases), build African unity and strength through opening up regional markets and freeing up the flow of populations, goods and capital. Then, once Africa is strong enough (like China is today) it can negotiate its re-entry into the global system from an agenda determined by Africans themselves rather than by the European Union or the US.

At the regional level, one example of the resurgence of a new spirit awakening in Africa is the action taken by the trade union movement of the Southern African Development Community (SADC). Provoked by the oft-taunted challenge of the ideologists of the neoliberal paradigm, they issued a considered and, as they describe it, 'visionary but practical' alternative to the neoliberalism for the Southern African countries. The alternative takes a human rights-centred approach. While recognising its limitations it uses them as a starting point to generate a wide debate on how the community of workers, peasants and ordinary people in the region can gradually and systematically disengage the region from the dominant global system of exploitation, and build from below a self-sufficient community and self-sustaining society that will re-negotiate its entry into the global system from a position of strength.

Conflicts are endemic in all societies. The new vision of many of the people of Southern Africa may not yield a conflict-free society. But it will surely lay the basis for another kind of world where the producers of wealth are their own benefactors, unlike now when those who benefit from global production (mostly in the North) are a set of people set apart and above those that produce the means of material production and human reproduction (both in the North and in the South).

The battle ahead is, of course, long and arduous. But African countries are beginning to recognise that in order to save their people they must first control their economic policies and political governance.

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Endnote

¹ The countries of Eastern and Southern Africa have reconfigured themselves into two groupings. One is 'SADC', which is the former SADC grouping, but it excludes four of its original members – Zimbabwe, Zambia, Malawi and Mauritius; and the other is Eastern and Southern Africa (ESA), but it excludes Tanzania which, although part of the East African Community, has 'chosen' to negotiate with the EU under 'SADC' rather than under ESA.

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