

# Making the twenty first century its own: Janus faced African (under) development

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This article critiques the idea that Africa under existing conditions of globalisation can take control of its own destiny in the 21st century. It does so by interrogating the empirical economic evidence for recent growth figures on the continent. It argues the optimism that Africa is on the verge of an economic breakthrough is misplaced and needs to be set in the historical context of recurrent optimism that quickly fades under the realities of exploitation and underdevelopment in the continent. Opportunities for sustainable growth and development lie not with greater integration with the world economy but with, among other things, local political and economic struggles in Africa for greater participation in local decision making and control of international capital.

*Key words:* Africa, economic growth, crisis, recovery, capitalist development, hydro-carbons

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## Introduction

We are once again at a moment of great optimism for Africa regarding the prospects for development, economic growth, improved standards of living and health and welfare provision.<sup>1</sup> This, together with a widespread state of peace, except of course for the Rwandan and Ugandan interventions by proxy in DRC, has led to an outpouring of rhetoric: ‘Africa rising: the hopeful continent’ (*The Economist* 3 Dec 2011). This contrasts sharply with *The Economist* headline of a decade earlier which described Africa as ‘the hopeless continent’ (*The Economist*, 13 May 2000). The UK Observer newspaper has also had a special supplement on Africa’s new start and burgeoning middle class demonstrated by an increase in continental Porsche sales, and of course the International Financial Institutions (IFIs) the World Bank, International Monetary Fund (IMF), African Development Bank have all spoken about an ‘African Awakening’, although it is not always clear from what the continent has woken. The Economic Commission for Africa (ECA) has talked repeatedly about ‘Unleashing Africa’s Potential as a pole of Global Growth’ (2012: 59). And the view is also expressed that the continent can provide a mechanism for the global recovery of an ailing world economy.

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The idea that the continent can be a source of global growth has also been part of a recent book on Francophone Africa (Severino & Ray 2012). Ex World Banker, now equity fund manager Jean-Michel Severino and French Foreign Affairs advisor Olivier Ray assert in their monograph the need not to look back in the ‘rear view mirror’ but forward with ‘telescopes’. In doing so they argue the importance of understanding Africa’s complexity not through the lenses of compassion and charity but to see the continent as a ‘newcomer at the feast of common prosperity’... ‘its headlong feverish rush to development can make its swarming youth one of the engines of world growth’ (2012:265). The mention of Africa’s youth is important as two out of three African’s are under the age of 25, a demographic that clearly influences and helps to shape the daily struggles over expectations and existing development.

The tone and the content of the new debate about Africa are striking in the desire not to look back at the continent’s history to help explain contemporary development implications. It is as if understanding the history of the continent simply roots analysis in the past. Doing so it seems might restrict commentary by allocating blame on colonial transformation and globalisation rather than exploring new demographics, urbanisation and the role of the new African middle class. As Paul Collier notes in an enthusiastic introduction to Severino and Ray’s *Africa’s Moment*, ‘The gap is striking between the Africa that we see, as if fixed in the last century, and its contemporary realities’ (in Severino & Rey 2012:2). Paul Collier laments, ‘we need to get to know Africa again’ (2012:2). And in doing so instead of constantly recalling the horrors caused by the colonial interventions of the slave trade, European genocide and imperialism we should focus attention on governance and the frailties of African leaders (World Bank 2003). This is an appealing message to Europeans who would rather forget the atrocities of say King Leopold of Belgium’s reign of terror in Congo (Hochschild, 1998) rather than locate an understanding of contemporary underdevelopment within an important historical context.

This article argues that it is important to understand the gravity of the consequences of the historical and uneven incorporation of Africa into the world economy. I will not offer historical narratives that could range from slavery to structural adjustment and poverty reduction strategies. Those processes highlight how first merchant capital and then informal colonialism and imperialism subverted development and ‘abjected’ Africans while western commentators talked of compassion and charity as light was shone on the ‘dark continent’ (Harrison, 2010; Cooper, 2002). Instead I indicate how the contemporary dynamics of transformation and the western ‘hype’ that Africa can grasp opportunities in the 21st century obscures debate about exploitation, and inequality, that is a product of western entanglement as well as local class actors seeking to promote restrictive notions of ‘development’. These tend to be views of development manufactured in the West. These views offer aims which are currently unobtainable and would certainly commit us to collective suicide if it were to be development fuelled by hydro carbons. In understanding development challenges and opportunities in Africa we need to look to the past and to the future. Our vision needs to be shaped by understanding the mechanisms of surplus extraction and the externalisation of the continent to see why

and how debates about Africa's 'moment' have been recurrent and persistent and why they are also flawed.

This article looks at the source of the optimism that is so frequently expressed in relation to Africa. We might ask to what extent we can generalise about a continent of 54 countries but we need not be too shy about claiming that there are broad issues that can be used to help shape a general picture. Africa is the second biggest continent covering 20 per cent of the earth's landmass, and it is the second most populous with more than a billion people – about 15 per cent of the world's population. The common features which I stress include the continent's structural location within the world economy, export commodity dependence and similarities regarding de-industrialisation, unemployment and agricultural stagnation. Other generalisations are less helpful. For example, Blair's Africa Commission 2005 report that Africa had 'suffered from governments that have looted', ...'that cannot deliver services' and from states that are predatory. Yet we know too that '[t]here is no compelling evidence that Africa's leaders are on the whole less talented than those in any other part of the world' (Ellis, 2012:148) therefore the pre-occupation with leadership and thus with governance and 'big man' theory of politics is unhelpful and ahistorical (Young 2010).

In taking stock of development in Africa I review the contemporary optimism among many commentators and analysts against long standing structural obstacles to development in Africa. In doing this I interrogate what development has come to represent and speculate as to where might lie the political spaces for alternative and active resistance to mainstream policy and discourse about the continent. I argue that the common optimism about potential for African growth and development quickly fades when confronted by the systemic features of post WW2 capitalism and the patterns of globalisation that followed the internationalisation of capital in the 1950s and 60s.

### **The Optimism**

'The experience of the last decade suggests strongly that Africa is likely to make the twenty-first century its own' (ECA, 2012:1). This reinforced the claim made by the World Bank on the eve of the 21st century that Africa could 'claim' the century (World Bank, 2000) and there were great growth opportunities for investors. Kofi Annan, Chair of the Africa Progress Panel (APR) ([www.africaprogresspanel.org](http://www.africaprogresspanel.org)) has noted that 'Africa is on its way to becoming a preferred investment destination, a potential pole of global growth, and a place of immense innovation and creativity' (Annan, 2012a:3) and he also notes there is a long way to go.

A key measure of the continent's success is the much vaunted gross domestic production (GDP) figures. GDP on the continent grew by an average of 5.6 per cent between 2002 and 2008. This meant the continent was the second fastest growing continent in the world, at least for some of the time, behind Asia. And 7 of the fastest growing economies in 2011 were African (ECA 2012:11-14). The ECA asserts that many of these fast growing economies were not dependent upon oil and gas and 70 per cent of the people living in these African economies were in countries that averaged economic growth rates of over

4 per cent over the last ten years. Here 'Development' is equated with economic growth, but while this is a crucial measure we will need to ask how, if at all, GDP growth data translates into people's well being.

The global capitalist crisis that has run since 2008 makes it unlikely that levels of continental growth will remain high, and in fact growth has been very uneven. There was a slowing of growth in West Africa relating to conflict in Cote d'Ivoire but the region was sustained by Ghana's oil and gas revenue; Central Africa growth fell in 2011 to 4.2 per cent as oil production was affected in Chad by strikes and falls in remittances as a result of NATO intervention to depose Gadhafi. And in Southern Africa growth was lower in 2010 at 3.5 per cent and here too growth was shaped by oil and mining output from Botswana, Mozambique, Zambia and Angola.

The roller coaster world of growth was helped by debt relief of more than \$100 billion. It has also been helped by a 64 per cent increase in aid to Africa since 2004, although this has slowed significantly since 2008. Debt relief in particular is marked out as contributing to improved poverty indicators. Between 1999 and 2008, the proportion of African's living on less than \$1.25 a day fell from 58 per cent to 48 per cent – 9 million taken out of poverty according to the World Bank 2005-2008 (APR, 2012:16). And while many of the MDGs will not be met, social indicators are, according to the Africa Progress Report, moving in the right direction: fewer children dying before their 5th birthday and improvements in the numbers of children attending school.

The explanations for these improvements and the optimism for Africa's claims on the 21st century lie with western generosity to erase debts, many of which were odious and toxic, and also of course to reschedule payments to ensure that finance continues to lubricate the world system (Ndikumana & Boyce, 2001). The generosity of donors has also been important. This is reflected in increased aid, for example, Global Alliances for Vaccines and Immunisations and increased access to anti-retrovirals. Yet this may have been driven less by western largesse than by resistance movements of those with HIV/AIDS and African governments prepared to challenge the global dominance of pharmaceutical companies (Epstein, 2007). Access to anti-retrovirals grew from less than 14 per cent in 2005 to 43 per cent in 2008 (CAR, 2010:3).

### **Interpreting Optimism**

Closer inspection of the growth and development indicators used by optimistic commentary about African development suggest the need for a more cautious approach to understand the contemporary situation and the need to look at Africa's development in a broader context.

In 2010 continental growth at around 4.7 per cent was well below the proposed important sustained growth of 7 per cent seen by the Africa Commission 2005 and World Bank literature as necessary for poverty to be significantly (and permanently) reduced. African economies, moreover, remain the least diversified in the world and the 2010 update from the Commission for Africa noted that 80 per cent of all African exports come from oil, minerals and agricultural goods (CFA, 2010:10). Only 12 per cent of growth comes from the agricultural sector that accounted for 60 per cent of the workforce and

a clear indication of poor labour productivity. Conceding the difficulty of generalising growth and of the need for diversification the ECA has tempered its upbeat assessment of continental political economy by noting that:

*'The last decade's impressive growth must be examined in a proper context if Africa is to become a global growth pole, for the fact remains that the sources of Africa's growth have changed very little over the years: agriculture and natural resources remain the main drivers, and Africa has diversified its economies in little meaningful way' (ECA, 2012:1).*

There is a structural imbalance to African economies that are mostly characterised by an overdependence upon rent rather than productive (manufacturing) growth. Capital intensive growth in labour surplus economies is a recurrent feature of underdevelopment and the failure to diversify economic growth away from hydro carbons has implications for vulnerabilities to the vagaries of the international market; failure of retained earnings; value added layers that accrue outside of the continent and the failure to break down enclave development. Thus inward investment into parts of Africa that is used as evidence for the continents grasp of the 21st century is mostly in minerals and hydrocarbons, it is investment that does not 'trickle down', but instead leaps over territory and state policy to limited spatial areas of extractive practices (Ferguson, 2007). Moreover, Africa, still has just 5.3 per cent of the world's share of foreign direct investment US\$72.2 billion in 2008 mostly restricted to the oil and gas producers, Angola, Ghana, Algeria and Egypt (UN, 2010:3).

We should also note that at the macro-economic level GDP of SSA was just \$744 billion in 2008 and the economies of South Africa and Nigeria accounted for 56 per cent of the continents GDP – in comparison, Belgium, with a population of about 10.5 million had a GDP of about \$500 billion in 2011. In contrast the GDP of Nigeria is less than the output of Greater London and the output of Ghana is equal to the output of a city such as Liverpool.

Official Development Assistance (ODA) indicators are also less than the 50 per cent increase in levels promised at Gleneagles in 2005. Africa receives just 35 per cent of the promised increase in ODA and its total external debt in 2009 was the highest since the early 2000's at \$300.6 billion (UN, 2012:4). This debt is almost 30 per cent of GDP – 80 per cent of export earnings. Debt service costs as a percentage of exports are 16 per cent, which is far less than the 40 per cent of the pre HIPC initiative years. But it is still at levels that eat into development expenditure and a write off would not impact on the international financial system although bankers assert that any further debt cancellation would merely reward 'moral turpitude'.

Structurally restrictive impediments to sustained and equitable growth and development in Africa remain, and one issue that needs to be explored is the extent to which African leaders can have an impact on these structures or whether they and people on the continent are mere carriers of the forces of globalisation? Do they just need to hang on and claim any benefits from a rising tide of capitalist development?

The Africa Progress Report may be the most reflective of commentaries from the array of international agencies and IFIs that offer accounts of Africa's potential for development. Their recent report discounts extreme pessimism and notes that there are real recent gains but that persistent inequality is 'ethically indefensible... economically inefficient and politically destabilising' (2012, 2). They note that there are still 386 million Africans struggling on less than \$1.25 a day and that despite economic growth the continent accounts for a rising share of world poverty – up from 21 per cent in 1999 to 29 per cent in 2008 (2012, 16). Africa also accounts for some of the highest global wealth disparities, especially in Botswana and South Africa. In these two countries the Gini index (a measure of inequality capturing concentration of household income or expenditure – the higher the index the greater the inequality) is over 60. The poorest 20 per cent in Sub Saharan Africa typically receive 6 per cent or less of national income and the poorest 40 per cent in most cases receive less than 15 per cent. One question that needs to be posed is what is the relation between growth and inequality? International agencies do not explore the idea of poverty and inequality in relational terms. They merely assert that growth will trickle down. Instead, what we have tended to see is increased dispossession and abjection of the poor while the more privileged become ever more wealthy.

A key driver of the revolutionary uprising in Egypt in January 2011, for example, was inequality: more than 50 per cent of Egyptians live on less than \$2 a day – up to 80 per cent in the countryside. Yet Egypt had experienced sustained *per capita* economic growth of more than 3 per cent over 10 years – growth figures that most developing countries desire: how do we explain the phenomenon of Egypt developing (in GDP terms) but Egyptians not? (Bush, 2004; Bush & Ayeb, 2012).

Thus despite, or is it *because* (?) of the type of growth in the last 10 years in Africa almost half of all Africans live below \$1.25 a day poverty line. But another 30 per cent, 246 million, live on between \$1.25 and \$2.50 a day – still an extreme level of poverty. Only 4 per cent of Africans have an income of more than \$10 a day to live on – this is the magical figure to define a middle class – the actors that we are told will drive Africa towards development. But this investment of hope in a middle class is fraught with both definitional imperfections and over-reliance on the notion as the driver for sustained growth and development. According to the Brookings Institute membership of the global middle class is defined in the range of earning \$10-\$100 a day. Using these figures Africa accounts for 2 per cent of the world middle class population and 1 per cent of its purchasing power (APR, 2012:17).

Care has to be used in accepting the face value of optimistic interpretation of Africa's development trajectory. Most of the MDGs will not be met, more than 30 million children remain outside of school and human capital development is poor; food insecurity is high and will worsen as global food prices and speculation in grain and climate change intensifies and this at a time when Africa has lost enormous tracts in land grabs: in ten years almost a 1000 acquisitions have taken place totalling 134 million hectares – an area larger than France, Germany and the UK combined (APR, 2012:40-42; Margulis *et al.*, 2013).

## Dependency Rules, OK?

We can now begin to ask what the review of Africa's continental growth figures may mean and what it says about development in Africa in the contemporary period?

My argument is that at the heart of the debates in the donor communities and the IFIs is a continuous strand of modernisation, to more fully integrate parts of the continent into the world economy – namely the minerals and hydrocarbon producing economies and to ensure that Africans in other parts of the continent remain where they are. The strategy for the mineral producers is simple: at best promote an agenda of transparency and openness for good governance and engagement with civil society, actors like Publish What You Pay, Extractives Industries Transparency Initiative and so on. The strategy for 'development' elsewhere on the continent, smaller land locked economies is the provision of development assistance that provides for bare life (Duffield 2007) and or securitisation as in the Sahel with AFRICOM and concerns with pastoralist mobilisation in Mali, Kenya and elsewhere (Keenan 2009).

Donors have been unable to move from agendas of charity and good conscience and where they may have done so it is to promote a securitisation agenda on the continent. This in part is a strategy to prevent African migrants reaching European shores as with fortress Europe elaborated in FRONTEX, the EU's 'border management' strategy, while simultaneously talking about the importance of development in Africa (Cross, 2013). The measure for African development is continues to be the western model of modernity: industrial growth. Yet this is absent and under existing global dynamics and local management is impossible. Where there is growth in Africa it is capital intensive in labour surplus economies. The continent is set to fail the targets set for development where they have been constructed according to western norms. And an over reliance on Chinese investment seems unlikely to provide an alternative direction for growth. On the surface perhaps the idea that this investment may be an exchange of infrastructure expansion for raw materials seems at least potentially positive for African states. But its value diminishes when Chinese labour is employed and there may be little to boost regional connectivity and effective local demand.

The language of the moment for the IFIs is 'structural transformation'. This term means 'unleashing Africa's potential as a pole of global growth' via a strategy of political leadership, national (sic) development and the mobilisation of a middle class for private sector investment (ECA, 2012:2). What emerges is a narrative that celebrates post – 2000 growth that was based on improved governance and economic management, reduced levels of corruption and growth in new service sectors. But as we have seen there remain structural crises persist. And where there is an assumption that the market and a middle class can drive growth it is not clear how or why a middle class would drive sustainable and employment generating growth.

Africa has suffered immeasurable damage as a result of the ways in which neo-liberal reforms recast even the possibility and certainly the acceptable language for social change after the early 70s. As Giovanni Arrighi (2002) noted in exploring Africa's tragedy, after WW2 the continent grew, often more quickly than elsewhere and in a sustained way.

Driven by high expectations and state managed economies (although not always without managerial difficulties) the 60s witnessed an emphasis on infrastructural growth and investment in productive industries. Import substitution industrialisation was seen as acceptable and official development assistance or AID to offset inadequate local savings could be used to boost economic growth and cope with foreign exchange shortages.

In the international economic crisis of the 70s, however, Africa was simply less well equipped to deal with global transformations. As Arrighi again noted, ‘some countries or regions have the power to make the world market work to their advantage, while others do not, and have to bear the cost’. This may be seen to lie in good or bad luck that has ‘deep roots in a particular historical heritage that positions a country or a region favourably or unfavourably in relation to structural and conjunctural processes within the world system’. Africa’s tragedy, if that is an appropriate word, lies in its ‘pre-colonial and colonial heritage which has gravely handicapped the region in the intensely competitive global environment engendered by the US response to the crisis of the 1970s (Arrighi, 2002:16).

The damage done to Africa and by African leaders who colluded with structural adjustment in the 80s has been and continues to be felt. In the two ‘lost’ development decades of the 80s and 90s, unemployment soared. Levels of health and welfare, infrastructure and well being were decimated and African states were viewed as having the temerity to seek independent trajectories for development (Easterly 2001). More and more it seemed the answers to the ‘central historical question’ (Rosenberg, 2006 in Brown & Hanlin 2013:5) as Eric Hobsbawm called the development challenge, peddled by the west were failing in Africa and the Global South. As Eduardo Galeano noted development became the ‘promise of politicians, and justification of technocrats, the illusion of the outcast’ (1997:214).

Something fundamental had happened in the 80s and it continues today: it was no longer possible to see ‘development conceived of as a project for change undertaken collectively by the population of a single, medium-sized country, acting through the state’ (Leys, 1996:41). The 80s saw the erosion of controls of capital, expansion of financial markets where states had difficulty setting their own exchange rates and with this there was the loss of control over fiscal policy and state spending (Leys, 1996:42). *Per capita* growth rates in SSA fell as deregulation emerged. If the post war period had seen a sense of direction and purpose in Africa, with strong political and economic leadership from, for example, Nasser in Egypt and Nkrumah in Ghana, the 80s onwards has seen an ongoing decline in the possibility of a locally constructed and meaningful development strategy. To cite Colin Leys again, ‘It is hardly too much to say that by the end of the 1980s the only development policy that was officially approved was not having one – leaving it to the market to allocate resources, not the state’ (Leys, 1996:42).

Catching up with the west, if it had ever been possible, was certainly not feasible in the context of changed international neo-liberal circumstances, yet failure to do so continues to draw criticism of Africa. The critique it seems lies in offering an account of Africa as the child, who needs constant help or a renegade ‘failed’ state that needs

protecting from itself. This protection might be offered by new forms of ‘trusteeship’ or intervention (Collier, 2008) necessary to get African states back on track (whatever that might mean) – Sierra Leone, Liberia, but what about DR Congo? Here perhaps the work of Cowen and Shenton (1996) best accounts for why and how trusteeship of surplus peoples becomes a core feature of post WW2 development discourse. While President Truman’s January 1949 speech indicating the need to help the least fortunate members of the human race shaped aid after WW2 it was also self-serving. And that has continued as the fear of global inequality, especially post 9/11, is seen to aggravate southern dissent with regard to the western way of life. Thus the idea that development in Africa may now be about ensuring minimal living standards (bare life) is maintained in a context of humanitarian and development rhetoric (Duffield, 2007; Arendt, 1958; Bauman, 2004; Evans, 2013). The West’s concern with extreme poverty and poverty alleviation ignores the causes and consequences of inequality and also policies that might mitigate it.

Binyavanga Wainaina (2005; 2012) has captured the persistent view of Africa as a child-like and mysterious ‘other’. Paternalism and religiosity is a cover for Africa’s continued subjugation and the power of the west to shape development agendas, but it does not do so without resistance from Africans. The recent attempts discussed above to exclude serious analytical stock taking of the consequences of Africa’s historical past explains why the continent’s development weaknesses are explained in terms of poor state capacity – something that was in any case undermined by western SAP policy in the 80s. It also helps explain why the strategies offered to the continent’s leaders inevitably involve further incorporation into existing globalised structures rather than any possible alternative routes and it helps explain the pathologising of politics in Africa as structured by tribalism and the politics of ethnicity (Bond, 2006; Bush, 2007).

### **Capitalist exploitation and resistance**

We can now return to the structural impediments for African growth and also look at the ways in which these obstacles are challenged by struggles in the continent. By doing this we can indicate how the political spaces that may be opening up might provide a context for development and social transformation with justice and greater equity at its core.

In his introduction to the APR Kofi Annan notes that ‘Extreme disparities in income are slowing the pace of poverty reduction and hampering the development of broad-based economic growth’ (APR, 2012:4). But Annan and the APR fail to unpack the dynamics of current uneven development on the continent. In particular there seems little connectivity between the desire to demonstrate how well the continent is progressing towards improved GDP while failing to mention the issues raised in a series of Economic Commission for Africa reports that have looked at illicit financial flows from Africa (see [www.eca.org](http://www.eca.org)). As chair of a UN committee that has investigated illicit flows from Africa erstwhile South African President Thabo Mbeki noted how the majority of multinational corporate company earnings of \$1.5 trillion in Africa each year are transferred out of the continent. These transfers avoid taxation, drain African economies of crucial liquidity

and hard currency and accelerate income inequalities. Mbeki's report examines what is called Africa's greatest economic sabotage because amongst other things 'it perpetuates Africa's economic dependence upon other regions' (ECA, 2012a:np).

MNCs control about 60 per cent of world trade, about \$40 trillion dollars and Mbeki's committee notes that perhaps as much as \$22 billion is transferred out of Africa illicitly each year – a significant proportion of the continent's debt and development assistance. In this context corporate social responsibility seems a long way from delivering the potential for development as the major banks are implicated in these transfers as are the big mining and oil and gas companies.

There thus seems to be collusion between some local African elites, special foreign interests and 'wilful blindness on the part of Western financial institutions and governments' (Ndikumana & Boyce, 2012:2). In 2010 a number of African leaders were implicated in illicit wealth creation, for example the presidents of Republic of Congo, Gabon and Equatorial Guinea (Ndikumana & Boyce 2011; 2012). All of these leaders were accused of embezzling public money from oil economies where the per capita incomes were some of the highest on the continent but where levels of poverty and inequality were some of the highest in Africa.

Capital flight is a major block to sustainable development in Africa. Capital flight takes the form of direct embezzlement by politicians or under-invoicing of oil exports. The IMF estimates that \$4 billion of Angola's oil wealth in 2002 was unaccounted for – \$71 billion went 'missing' 1985-2008 and there are similarly staggering figures for Ivory Coast, Cameroon and Sudan (Ndikumana and Boyce, 2012:4).

It is not only capital flight that has enabled African elites closely tied to some states and mineral economies to benefit from globalisation. The development experience of the 80s and the new modes of accumulation that it spawned helped promote a new growing class of very rich African entrepreneurs. These have emerged from strong links with global capitalism in real estate promoting high-end consumerism, and new consumer markets that are very visible in Accra and Luanda, Nairobi and Johannesburg.

The new African class of entrepreneurs in which so much is invested by the Afro optimists has provided a cover for the failures of de-industrialisation and the redefinition of structural transformation used by the IMF. Africa's share of manufacturing in GDP fell from 15 per cent in 1990 to 10 per cent in 2008 – West Africa's fell from 13 per cent to 5 per cent in the same period. UNCTAD has sounded the alarm on this crisis of manufacturing in a recent report on economic development in Africa, 'The declining share of manufacturing in Africa's output is of concern because historically manufacturing has been the main engine of high, rapid and sustained economic growth' (UNCTAD, 2012:2-3). The absence of growth in manufacturing undermines job creation, slows the improvement of service provision and disappoints youth expectations for their futures. The IFI response seems to be that Africa continues as a raw material exporter (for western and Chinese needs) while offering some mediation of 'dependency' with profitable transnational corporate telecom development, financialisation of high-end activities such as banking and real estate. But this is precisely the 'development' resting on continued speculation of

African markets that has helped create Africa's recent phase of impoverishment (Bond, 2006; UNCTAD, 2012).

There are several illustrations I might use to offer a sustained critique of the status quo and everyday resistance to Africa's persistent underdevelopment. Space will only allow me to mention one set of dynamics where the issue of the plunder of Africa's resources is met by a combined challenge from communities affected by mining and by a pan African initiative to both constrain mining companies and to promote local industrial development.

Mining companies might be seen as outriders for imperialism (Bush, 2010). Extractives are a small proportion of global FDI yet it has a disproportionate economic and political influence on African development. Mining companies are at the forefront of accumulation by dispossession in Africa. Accumulation by dispossession (Harvey, 2005) captures a key element of contemporary capitalist exploitation. This is the persistent violence of separating producers from their means of production as farmers and peasants are expelled from the land. Mining companies are central to this. They expel farmers from mining enclaves establishing hierarchical relationships of power. Enclaves are the result of FDI that does not permeate beyond the spatial location of extractive locations. They are the source of capital intensive production in the context of labour surplus. The mining enclave is organised for large scale production and there is frequent intimidation of local inhabitants by mine operators and by mine security that stops local residents from entering mine areas.

Two types of violence prevail in mining enclaves: political violence in which MNCs can bypass government decision making and consultation and a more familiar coercive violence where mines are cordoned off and policed – locals who enter can expect to be attacked. The enclave is in many ways a metaphor for broader, persistent and systemic exploitation in Africa. It was most violently witnessed in South Africa in August 2012 at Marikana's platinum mine run by LONMIN where 47 miners were gunned down by police in response to a strike over pay and conditions (Marinovich et al., 29 January 2013). The check list or main characteristics of an enclave relate to the violence and human rights abuses but also the ways in which expatriate labour accompanies the mining investment – as if to stand guard over it. The essential observation is that the enclave is a mechanism to promote the externalisation of the African economy. It provides a way in which local decision making is frustrated and local planning mechanisms are reduced and made susceptible to global market fluctuations. The enclave does not add to the expansion of the local and domestic market savings ratio and growth of a local bourgeoisie: it acts as a block to each of these (Mhone, 2001).

While there has been collusion between African states and mines operating in the enclaves, ostensibly to show not only compliance with the rhetoric that FDI will drive growth but also because of the 'kick backs' that accrue and rentier politics that has emerged (Global Witness, 2012), there has also been opposition and resistance to mines, mining and existing extractive relations. This has come from two main areas. The first has been from communities themselves that promote a resistance similar to the characterisation of the

'quiet encroachment of the ordinary' (Bayat, 2009). Writing about urban unrest in the Middle East, long before the 2011 Arab uprisings Bayat explored,

*'non collective direct actions of individuals and families to acquire basic necessities (land, shelter, urban collective consumption, informal jobs, business opportunities) in a quiet, unassuming fashion' (Bayat, 2000:iv).*

These actions are not just a defensive coping strategy to deal with land loss and challenges to livelihoods. Community and other localised struggles can also advance the livelihoods of ordinary people and these sometimes fleeting struggles may be without obvious leaderships and formal organisations. In Bolivia for example, it has been reported how struggles against water charging and nationalisation of gas emerged from social movements that drew on the 'strength from their embeddedness in daily life' (Spronk & Jeffery, 2007). In many parts of Africa, struggles waged by artisanal small scale miners (ASM) over land access and control of equipment and inputs for mining might contribute to everyday resistance to owners of land and capital.

There may be 10 million such miners in Africa, and 500,000 in Ghana where they are known as *galamsey*. Most of the discussion about the *galamsey* centres on their legal status and the extent to which they degrade the environment (Hentschel et al., 2003). ASM may be seen to be a strategy not just of survival and livelihoods, and there are complicated relations between miners and funders, land owners and communities. ASM may also be seen as a strategy that confronts commodification of land resulting from mine concessions and enclave development. ASM can be seen as a social (and political) response to the internationalisation of capital and its deleterious consequences that have abjected communities affected by mining.

Running alongside the ASM debate is the African Union's Mining Vision initiative (African Union, 2009; 2011). This mining policy and strategy document is an example of a locally generated African initiative. It promotes the emergence of the transformation of mining discourse to implement a pan African policy to challenge decades of underdevelopment by mining companies. It is a policy that has been confronted by policy in Europe especially after the EU's raw materials policy in 2008 (Commission of European Communities, 2008). At the heart of the AU policy is the desire to maximise revenue from extractives for local African development. The Vision aims to promote the 'equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development' (African Union, 2009:4). In doing so the AU has put back on the AU policy agenda the need to revisit the historical underperformance of government access to revenue from local resources. The AU has also declared the need to re-examine the debate about the relationship between regulation and control of mines that was very much part of the nationalist 70s agenda.

Crucial for the AU is an understanding of Africa's past, of underdevelopment and reference to the much maligned 1980 Lagos Plan of Action (OAU, 1979). The AU vision may be an attempt to think outside the 'mining box' – to counter the consequences of capital intensive extractives and to avoid the recurrent development failures of the extractives enclave.

It is an attempt to resurrect, albeit in a different global environment from the 70s, an agenda that will accrue greater benefits for host countries and mining communities. The structural limitations of pan African policy may prevail and prevent its implementation. As such the policy may become just another shopping list where continued dependence upon the West for aid and FDI undermine the ability to establish an alternative extractives policy. However, the AU initiative has shifted the ground fundamentally. At its core is a clear recognition of the failures of existing resource extraction and the need to promote a regional growth strategy based on improved local beneficiation.

The Africa Vision is compelling and assembles elements for a most important policy transformation that has the potential to reverse centuries of resource exploitation. It will depend not only upon state led initiatives but also grass roots support and engagement – a politicisation of local struggles that challenge and may threaten the legitimacy of many African states. In the first phases however, to raise local revenue retention it will be necessary to promote and improve local tax regimes, the improved capture of local resource rents and royalties and an agenda that understands and values environmental transformation. This African mining vision will only be possible with popular mobilisation.

### **Conclusion**

The debate about Afro optimism and pessimism continues, and while these popularised discussions are important they should not blur the need to grasp the structural processes that underpin the headline-grabbing economic growth figures.

There is a global context in which the new optimism is unfolding. This is the probable shift in power from the US and EU to Asia. A ‘scramble for Africa’ has continued, however, although it is important not to reduce Africa to a mere passive receiver of China’s increased interest (Mohan & Lampert, 2012). I have argued that headline figures circulated by the IFIs and apologists for global capitalism obscure failures around structural transformation of African economies. These failures are continued (accelerated?) de-industrialisation; agricultural stagnation, financialisation; unemployment and urbanisation that has been de-linked from industrialisation (on the latter see Davis, 2007) and growth with heightened inequalities.

The issue for the 21st century is the extent to which social movements might emerge to defy these continued injustices. But this begs the question of where such social forces might be found given the fundamental problems I have indicated above. These problems stem from historical and contemporary underdevelopment, and have led to the fragmentation of unified social classes, the mushrooming of informal sectors and patronage politics with ‘choiceless’ electoral politics.

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