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Globalization and Africa's Unfinished Agenda

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There are two ways of losing oneself: by a walled segregation into the particular or by dilution in the "universal"—Aimé Cesaire

The title of my essay alludes to the disjunction between Africa's own "social projects" and the exigencies of globalization, which is due partly to internal problems in Africa itself and partly to the imposed and more or less spontaneous articulation of Africa to the global community. If for other nations it is plausible that globalization is driven by the invisible hand of market forces or by deliberate policy choices at the national level, for African nations it is driven largely by the very visible feet of international financial institutions (IFIs). This does not mean, however, that the forces driving globalization are irrelevant to Africa or that Africans have been passively inserted into the global order. "Signalling" these global forces to look toward Africa is a central aspect of current policy-making. Indeed, the whole point of structural adjustment programs presumably is to relink to these processes and enable the continent to reap the benefits of global competition for markets and investment. On the domestic side, there are always correlates and anchors to the globalization process. Globalization in Africa has been abetted by national actors who have generally adopted a supine position toward policies imposed on them.

My belief is that how Africa "goes global" will be determined not only by the exogenous and putatively ineluctable forces of globalization, but also by the degree of social cohesion that countries can individually and collectively muster. It is this social cohesion that will determine and strengthen the internal strategies necessary to make politically viable and legitimate whatever external strategies the countries choose. Failure to summon adequate internal responses to the external challenges will expose African countries to the process of "immiserizing" globalization.[1] Both internal institutional and political weaknesses and the particular way Africa is being integrated into the global system are likely to produce this undesirable outcome. The internal problems are the result, on the one hand, of internal inconsistencies and conflicts and what Africans themselves generally describe as "betrayal" by the leaders of the promise of independence and, on the other, of the reverberations of foreign pressures on domestic politics, which may not only alter the preferences or ideologies of key actors, but also influence the social composition and strength of political coalitions.

Globalization has generally proceeded either by completely ignoring or by banalizing localized concerns, histories, problems, and the "social pacts" designed to address them. Indeed, globalization processes and the ideological paraphernalia that go with them have given the impression that these concerns were provincial, dated, and idiosyncratic. In contrast, I have deliberately chosen to judge globalization through the prism of African nationalism. The point here is not to hark back to some golden era of nationalist *élan*, ideological coherence, and a "promising beginning." Indeed, I believe its "promise" still holds some of the elements for the construction of social cohesion for Africa's fruitful interaction with the rest of the world. In Africa, as elsewhere, nationalism will be one of the ideologies that affects responses to globalization. I am aware of the contested meanings of nationalist ideologies in Africa and the existence of both sub- and supranationalist ideologies. My own reading of the situation is that the ideologies espoused by the African nationalist movements remain the most dominant. I intend, therefore, to reflect on globalization and Africa against the backdrop of the promises and commitments made at the start of the postcolonial period.

There is considerable confusion about what constitutes globalization — about its origins, distinctness, geographical extent, intensity, impact, driving force, direction (is it unidirectional or reversible?), and future. Anthony McGrew has usefully identified three clusters of interpretations of globalization: the hyper-globalists, the sceptics and the transformationalists.[2] For the hyper-globalists, depending on one's ideological predisposition, globalization represents a new epoch in human history, full of either great promise or dire consequences — a "world war," in the words of Robinson. In most such analyses, the presumption is that there is a zero-sum relationship between globalization and nation-states. Globalization, then, is interpreted as leading to a "hollowing" of the state, to denationalization in which "national governments are relegated to little more than transmission belts for global capitalism or, alternatively, catalysts for nurturing mechanisms of governance at the local, regional and global levels more compatible with the logic of the global marketplace." Conversely, the strengthening of the nation-state is treated as a "spanner in the wheels." The sceptics doubt that the existing empirical evidence (in terms of global flows of trade, investments, and labor) casts doubt on the newness of the contemporary levels of economic dependence.[3] They also doubt that the power of governments, or state sovereignty, has been eroded to the extent suggested by the hyper-globalists. Indeed, some of these would go further and argue that globalization is a project of nation-states or that it is at least mediated by domestic state actors. Finally, there are the transformationalists, who somehow lie in between, rejecting both the hyper-globalists' rhetoric of the end of the state and the sceptics' insistence that nothing much has changed.[4]

Remarkably, most participants in this debate—both the supporters and detractors of globalization—have succumbed to the crudest forms of materialism in which the economy-technology "base" determines the "superstructure" of culture, politics, and global governance. However, despite the immense fetishization, globalization is ultimately the result of human agency. The nature of the global order that is supposed to emerge is not predetermined by some ineluctable force but will, instead, result from the combination of human ingenuity, ideologies, caprice, solidarity, greed, and so on, on the one hand, and resource endowments on the other. However, since different classes, societies, and nations are differently endowed in terms of economic, technological, and military resources, the imprint that countries leave on global affairs and processes varies accordingly. So, too, does the incidence of costs and gains of these processes at the national level. At the global level, what may make these processes appear beyond our control is the absence of political structures, social norms, and institutional arrangements requisite to global governance.[5] Even here, however, one ought to take a more nuanced approach. If anarchy seems to be the guiding principle of globalization for large groups of humanity, certain actors in the globalization drama have established fairly elaborate mechanisms for managing things close to their hearts or, more accurately, to their pockets. So the issue is not so much lack of global governance but the asymmetric extent of such governance as it exists today and which is evolving in terms of the authority, reach, accountability, and inclusiveness of its agenda.

In much of the writing about globalization and Africa, most of the nuances in the debate disappear; as a result, the dominant view emphasizes the hyper-globalists on one hand and the incomprehensible marginalization of the continent on the other. As Helleiner states, the question usually asked with respect to Africa is: "Why isn't there more of it?" Africa's marginalization appears as the exception that proves the rule. Globalization is figuratively portrayed as an unstoppable train that African nations fail to board at their peril. No time is allowed to make special arrangements before one's departure. The boarding process is so disorderly that only the strong and quick are able to get on. It imposes itself without individual or social will, facilitated by such exogenous factors as technology and a shadowy zeitgeist. Threatening language is used to caution those who, for some reason, may not be ready for the "trip." Thus, Africans are reminded that they are at a crossroads. Either Africa takes the "appropriate measures" (read IMF/World Bank policies) or it will continue to be marginalized into oblivion. In the famous words of Margaret Thatcher: "There is no alternative" to adjustment to the exigencies of globalization.

While the years 1960–75 were marked by significant gains in several social indicators, including per capita incomes, the last two decades, during which globalization has apparently gained its distinctive characteristics, have been labelled "the lost decades" for Africa. Economies stagnated, social conflicts erupted into bloody wars, and famines were rampant, producing harrowing images that seared television screens around the world. Economically, Africa was being marginalized as its share in global trade and investment plummeted.[6] Much of this marginalization has been measured in trade figures, share in world GDP, and share in private-sector investment flows. The story these numbers tell is that Africa's share in all these has generally declined over the last fifty years. This forced delinking of the economy is not exactly what those who called for self-reliance and delinking meant. So inconsequential has Africa apparently become that an article on globalization in the British weekly, the *Economist* a few years ago, observed sardonically that no one would notice if Africa were to be wiped off the face of the earth. The writer's point was that the marginalization of Africa had gone so far on its own that the continent had ceased to matter, if it ever did, and so it would not be missed if it somehow disappeared.[7]

Significantly, little was said about how Africans would react to their imminent departure from the globe. Regardless of the cynicism that typically informs the publication on matters relating to Africa, the *Economist* does, in some sense, reflect perceptions about how Africa is — or isn't — becoming globalized. For those whose vision has been shaped by the all-too-frequent images of incomprehensible human suffering and degradation that Africa has copiously supplied to the media, the thought that Africa might somehow vanish can only be appealing. But Africa will not go away. Given its geographical immensity, its disappearance would literally have earthshaking consequences. However, Africa's links are not only geographic, they include too many bonds to recount here. And that, I suppose, explains why I am here — not a specimen of an endangered species, but as someone presumed to have something to say about an important part of our humanity.

We should also bear in mind that globalization is not always concerned with crossing borders, as most measures of trade shares suggest, but with the "relocation of national public governance functions to transnational private arenas and with the development inside national states — through legislative acts, court rulings, executive orders — of the mechanisms necessary to accommodate the rights of global capital in what are still national territories under the exclusive control of states," as Sassen states. However slight the impact of Africa on global affairs may be, the processes of globalization have enormous implications for African societies beyond the purely economic.

II. The Uncompleted Tasks: The Nationalist Commitments

From the many self-allotted "historical tasks" of African nationalism, I believe five stand out as the most widely accepted at the time. These were: *complete decolonization of the continent*, *nation-building*, *economic and social development*, *democratization*, and *regional cooperation.* These were the basic elements of the "nation-state project" of African nationalism, a much-abused and now badly tarnished ideology that I will, nevertheless, use as a prism through which to view processes of globalization and the promise they hold for Africa's accomplishment of its "historical tasks." Of the five, only the first one — decolonization — has been completed, now that South Africa has at last won its arduous battle for noncolonial status.

National Sovereignty and Nation-Building

Several factors have prevented Africa from completing the vital task of nation-building. One of these has been the gross mismanagement of the nation-building project due to internal struggles and politics; furthermore, much of the scaffolding for nation-building has been weakened in the process of adjusting to what is purveyed by the Bretton Woods institutions (BWIs) as the exigencies of the global system. For some of the hyper-globalists, this may not only be welcome but also prudent in light of the inevitability of the erosion of the nation-state. Africans have lingering doubts about the accuracy of pronouncements, made immediately following the independence of their nations, on the demise of the nation-state.

The internal factors undermining nation-building constitute the "original sin" of African nationalism. For understandable reasons, African nationalism became a totalizing ideology to combat real and imagined divisive forces such as the divide-and-rule strategies of the erstwhile colonial masters and the "tribalism" of some of the leaders. Confronted with the social pluralism of their countries, the nationalists had two theoretical options. They could either ride roughshod over social pluralism and produce political uniformity, or they could design structures that produced a political pluralism congruent with that of the social pluralism of their societies. Most chose the former option. This choice, combined with the centralization of power that it entailed, has meant that issues that could easily be resolved at the local level have acquired a menacing national significance because decision-making processes have been overtaxed. It has also meant that there are no local-level governmental institutions to absorb some of the blows inflicted by globalization.

Because the African elites tended to equate nation-building with state-building, the latter has completely overshadowed the former. The authoritarian nature of state-building and the neoliberal "statophobia" have combined to suggest that state-building should be abandoned or drastically curtailed. Regardless of this attitude, the state will, for better or for worse, continue to be a major force for much of mankind. Although states can and do foment internal conflict, often by omission rather than commission, they remain the single most important mediating institution. Thus, the forced incapacitation of states is dangerously premature. The failure of states to perform their functions almost invariably leads to bloody conflicts as anomic violence and general lawlessness assume ethnic dimensions. Witness how the collapse of the state has affected numerous African countries.

In addition, the ruling elites frequently have failed to pursue the task of nation-building seriously and consistently. This can be attributed partly to the end of "elite consensus," which has produced widespread conflicts that have engulfed whole nations and caused enormous suffering. This was part cause and part effect of the political and institutional failure to deal creatively with the pluralistic nature of our societies. It is crucial to remember that their colonial experience has colored African leaders' understanding of the nation-state. None of the major colonial powers in Africa was either multi-ethnic or federal in character. And late attempts by departing colonial powers to cobble together federal arrangements in their former colonies ultimately failed. In the postcolonial era, little thought was given to the notion of the nation-state and its relationship with contiguous states with which it may have been vying for or sharing identities and populations.

Furthermore, demographic changes that have occurred during the last thirty years have made the rhetoric of nationalism less convincing. Because 70 percent of the African population was born after independence, "national unity" has been taken for granted. In addition, the economic crisis and the gross mismanagement of national resources have further eroded the legitimization of the "national project." And the authoritarian nature of nationalist politics, which has alienated significant segments of society, has also compromised the legitimacy of the ruling elite by undermining their effectiveness as a rallying point for Africa's young population. The uninhibited interference by foreigners in national affairs not only complicates national politics but also tends to trivialize it by severely attenuating national choices and relegating national institutions to a secondary role.

In the midst of this beleaguered nationalism, the pressures of globalization were applied, further undermining the cohesive force of nationalism. In the immediate aftermath of colonialism, African countries confronted the reality of neocolonialist opposition, which was most articulately formulated by Kwame Nkrumah. This development made Africa the perfect breeding ground for nationalist theories about dependence. In the 1970s, with the dramatic rise of OPEC (Organization of Petroleum Exporting Countries) and the distinct possibility of establishing cartels for other primary commodities, prospects for the Third World looked bright. The terms "self-reliance," "delinking," and a "New International Economic Order" suggested the very real possibility of deepening political independence by extending it to the economic sphere. Faced with the prospect of a hold on natural resources by cartels in the Third World, the developed countries began appealing for nonconfrontational *interdependence*. However, recession and restructuring in these countries and the indebtedness of many leading developing countries negated the need for interdependence. Developed countries shifted from the rhetoric of interdependence, with its intimations of cooperation and global solidarity, to globalization that emphasized competition. Once again, many developing countries found themselves in the grip of BWIs.

Nationalism, already entangled in its own contradictions, had to defer to the demands of external powers. In terms of economic policies, nationalism regards the nation as its unit of analysis; it prefers some form of control over economic activities, either through nationalization or through "indigenization," and it tends to engage in redistributive policies to hold the nation together. Panterritorial pricing and regional allocation of economic activities were essentially redistributive policies aimed at cementing the nation together. Some of these policies ultimately contributed to the fiscal crisis that made these nationalist objectives untenable. The corruption and mismanagement of these policies relegated them to the realm of rent-seeking and patron clientelism, which presumably accounted for Africa's decline. Although these policies have usually been judged in purely economic terms, there are political objectives underlying them. In a sense, they were "political investments," and failure to make such investments robbed the development process of the "political capital" essential to sustain it.

Globalization, too, has become entangled in its own contradictions. Although its key actors demand political stability, its methods are extremely disruptive of social cohesion. One effect of postcolonial development has been increased social differentiation along class or income lines. The current crisis and the patterns of adjustment adopted to address it have exacerbated the pressures of inequality, especially with the indiscriminate rejection of the redistributive elements of nationalist policies mentioned above. This has increased the potential for ethnic conflict by intensifying intra-ethnic differentiation. The paradoxical consequence of such intra-ethnic differentiation is that a premium is placed on ethnic cohesion (as elites opportunistically harp on their ethnic ties with the poor). During the crisis years, we have seen devastating ethnic conflicts in Africa. With one ideology that has so far provided some modicum of political stability severely eroded, claims of subnationalism have surfaced. And hanging as the sword of Damocles over the processes of both nation-building and globalization is ethnic conflict, real or imagined.

The current situation has also spawned new leaders with a jaundiced view of nationalism. Associating nationalism with the corrupt regimes they have replaced, these individuals tend to embrace globalization uncritically and have been much less concerned with legitimacy at home. Indeed, the crises of the 1980s and 1990s have made "dependence" so normal and seemingly acceptable ("pragmatic" is the word often used) that it has ceased to require theoretical explication or to evoke convincing political dissent.[8] The "success stories" proudly parade their dependence on foreign tutelage and do not object to being called "good pupils" by foreign masters.[9] Thus, denationalization applies not only to institutions but also to individuals and ideologies. Some, like the governors of central banks, proudly flaunt their membership in external "epistemic communities" of global financial networks. Others, empowered by these global networks, acquire greater political leverage at the national level. Those who see globalization as a panacea for our ills bemoan the exclusion of this group from power. Thus, Holman of the *Financial Times* writes:

> Well-educated, articulate young Africans, unburdened by colonial complexes and at ease with the concepts of free trade, capitalism and globalization, are being kept from the instruments of power.[10]

Leaders such as Yoweri Museveni of Uganda, Paul Kagame of Rwanda, Isaias Afwerki of Eritrea, and Meles Zenawi of Ethiopia are among the breed of new leaders. However, judging from the behavior and character of some of these men, the promise is not as bright as the *Financial Times* suggests. So far, they have assumed power through military means, have been unable to establish inclusive national coalitions at home, have had little time for democracy, and are partial to guns. With their eyes fixed on the external prize, they tend to be less sensitive to domestic politics. And at the time of this writing, they are all involved in some war or other, contributing to a political instability that is unlikely to create propitious conditions for globalization.[11]

Economic Development

During the struggle for independence, the objective of eradicating the "unholy trinity" of poverty, ignorance, and disease was a salient feature of nationalist political platforms. And the material correlates of the nation-building project were economic development and the ideology of "developmentalism," which inevitably assumed a national character. A central element of that quest for development was industrialization. In terms of globalization in the postwar period, Africa's position continued to be that of exporter of raw materials. The inconsequential inflow of capital into the manufacturing sector compelled African states, regardless of their ideology, to engage in direct productive economic activities. Contrary to myth, "African socialism" involved little nationalization for the simple reason that there was not much to nationalize.

African leaders realized that, although the development endeavour was a national effort, the context would be international. There were, of course, considerable differences as to what the class character of the national project and the state-capital nexus underpinning it would be. Vaguely, it was to involve some import substitution, some indigenization, and arduous pursuit of foreign capital through "industrialization by invitation." In devising their development strategies, Africans relied heavily on exports and history. They also were constantly confronted with idealized histories of how other ruling classes had developed by pursuing nationalist policies in the context of rapid internationalization of economies. In the 1960s, the idealized process of nation-building was that of Europe, whose "stages of growth" developing countries were supposed to retrace. European development was portrayed as being led by a "national bourgeoisie," which had replaced the feudal classes. In sharp contrast, Africa was saddled with "dependent," "petty bourgeois," "incomplete" national bourgeoisies who managed "overdeveloped," "peripheral," "dependent," "neocolonial," "client" states. If "dependence" was a condition afflicting all key actors, it was difficult to see how Africa would escape that bind and participate meaningfully in the global economy. One consequence was a discourse in which pessimism about the prospects for change within the existing system was tempered by extremely voluntaristic calls for delinking or revolution. The inevitable process of social differentiation was punctuated with calls for a new international order.

By the 1980s, the ideal shifted. No longer did Europe and America provide the models to emulate and the paths to trace; now, the high-performance East Asian economies, with their "developmental states," were the new standards. Such states were characterized by an ideological commitment to development, a political capacity to articulate and impose a national project of development, and an efficient and honest bureaucracy, or technical elite, insulated from avaricious interest groups. Their situations sharply contrasted with the African state, which was captured by interest groups or was wallowing in debilitating patrimonial relationships that rendered it incapable of pursuing the national agenda of development.

The developmentalist project has not been without its detractors, critics, and of course, victims. The first criticism is that development has, on the one hand, been elevated to an ideology that has sanctioned destruction of cultures and violation of human rights by national governments; on the other, it has been used by foreign powers or donors as a license for intervening in the affairs of other nations. It has also been used as a camouflage for corruption, xenophobia, and the destruction of the environment.[12] To the extent that these charges are, in many ways, valid, they ought to be addressed by those of us who still advocate development.

The orthodox criticism is that developmentalism in its African variant was statist and favored strategies that emphasized independence and self-sufficiency, presumably producing the present impasse in African countries. Ideally, globalization leads to freer trade and a free flow of productive inputs, including capital and labor. Expanding economies open up to the world in order to extend their market opportunities and to benefit from the purchase of goods from other, better-placed producers. Just as rational individuals presumably engage in the market so they can benefit from the economies of specialization facilitated by a division of labor, nations enter into trade relations to benefit from an internal division of labor.

African policy-makers are accused of failing to heed the lessons of trade theory and of exhibiting an anti-trade bias. These accusations arise because initial industrialization in the African countries was focused on import substitution as opposed to the export orientation presumably pursued by more successful economies. They also involve a considerable distortion of the history of economic policies of developing countries and a biased reading of the "success stories." For one thing, the dichotomy of "export-oriented versus import substitution" is misleading because even the most successful exporters continue to pursue import substitution. For another, import substitution was not a strategy for autarky but for the eventual diversification of the export base away from primary products toward industrial products. Finally, and more significantly, Africa's marginalization is not the result of an anti-trade bias. Dani Rodrik argues persuasively that:

> Africa's marginalization in world trade is primarily due to the continent's lagging performance in terms of output growth. It is not due to trade ratios (relative to GDP) that are low by cross-national standards. African countries trade on average as much as would be expected by international standards once their individual characteristics (such as income level and size) are taken into account. It is because they have failed to expand their economies at sufficient rates that their importance in world trade has shrunk.[13]

III. Maladjusting Africa and Shifting Goals

Until 1973, many African countries enjoyed positive rates of growth. In fact, the differences in performance between Asia and Africa were not that remarkable. Then came the oil crisis and the subsequent decline in terms of trade. Initially, many countries considered the crisis temporary and could, therefore, be financed by borrowing; with negative interest caused by the need to recycle petrodollars, it did seem prudent to pursue this course. This was also the advice of the BWIs, which accused African countries of being too cautious and of underborrowing. In some cases, BWIs and private financial syndicates actively encouraged such countries as Côte d'Ivoire, Kenya, Malawi, and Nigeria to avail themselves of the financial markets.

The way borrowed funds were used compounded Africa's problems. Some were put in long-term productive investments, the viability of which depended upon the continuation of the good times. However, huge sums of money were wasted on the construction of airports, palaces, and new government buildings and the purchase of arms. Blame for this profligacy lies with the avarice, desire for self-aggrandizement, and megalomania of African leaders as well as the urging by lenders awash with excess liquidity desperate for outlets. By the end of the 1970s and definitely following the 1982 Mexican financial crisis, such borrowing was clearly unsustainable, and African countries found themselves frozen out of the private financial markets—an exclusion that persists today.

Initially, African countries were compelled to seek aid in the form of balance-of-payments support. To obtain it, they have had to accept a cascade of conditionalities—all intended to make state policies "market friendly." African countries entered a phase of policy tutelage that is unparalleled in terms of how involved foreign governments are in the affairs of sovereign states, in terms of the arrogance of those administering the nostrums, and in terms of the non-accountability of those who repeatedly were proven wrong in both diagnosis and prescription. Much of the advice and tutelage has involved experimenting with a package of policies for which there was no prior experience. The result has been the construction of a policy edifice by an *ad hoc* accretion of the "necessary conditions;" the end result is an unwieldy and ultimately self-defeating accumulation of conditionalities.

The learning curve has been extremely steep, partly because of lack of transparency of the experimentation and teaching processes and partly because success stories have been rare and ephemeral — and failures have been discreetly buried to avoid an embarrassing autopsy. Over the years, many African countries have, at one time or another, been touted as success stories or pupils only to inexplicably disappear from the honors list. The lack of transparency resides in the fact that the "letters of intent," spelling out what agreements have been reached, by what means, and to what ends, are confidential. I should add here that Africans have remained highly sceptical of the appropriateness of the measures proposed and of the knowledge of the peripatetic consultants who scour the continent in search of new projects. We must remember that those who assumed the driver's seat in our affairs were often blind or blindfolded; there was little correlation between what they said were fundamentals and the actual performance of economies, and where there was correlation, the outcomes did not necessarily match the predicted results.

Getting Prices Right

In the early phases of adjustment, African governments were advised to "get the prices right" through liberalization and greater reliance on markets. The assumption was that a minimalist state was the best instrument for development. This was a radical shift from the role originally assigned to the state. The problem of development had always been to find institutional arrangements and political incentives that would enable and induce states to competently and efficiently compensate for market failures. Neoliberals have tended to downplay market failures and then to accept them, arguing that "government failures" would be worse. This advice ignored vast amounts of development research that pointed to the main structural constraints on the functioning of markets in the developing countries. The constraints included lack of capacity to adopt imported technologies, economies of scale, information asymmetries, and absence of markets for a whole range of goods and services. All these would affect the supply responses to price incentives.

Although the fastest growing economies in the world were characterized by strong interventionism and by what is now known as the "developmental state," Africa was counselled to favor a "minimalist state" that largely confined itself to "night watchman" functions. For years, the World Bank insisted on interpreting the Asian experience as evidence of the virtues of neoliberalism. But when the Japanese government insisted the World Bank revisit the Asian experience, it eventually produced the *Asian Miracle* study, which acknowledged, for the first time, the central role of the state, albeit with all kinds of caveats. This admission did not, however, affect the World Bank's advice to Africans. The institution continued to argue that the Asian economies could have performed even better without state intervention. It also claimed that African governments were congenitally unable to do anything useful about "market failures;" because while Asian states enjoyed "autonomy" that allowed them to pursue national policies without the encumbrance of societal demands, African states were too prone to "capture" by rent seekers. Finally, following the Uruguay Round Agreement, the new trade regime no longer permitted the protective measures that Asians pursued during their phase of rapid industrialization. And so, in a 1994 report, the World Bank repeated even more forcefully what it had stated in 1981 in the Berg Report.

Thus, retrenchment of the putatively "bloated bureaucracies" continued to be the order of the day. Much of this downsizing has not been accompanied by a simultaneous introduction of performance-enhancing measures and increased worker commitment. Instead, it has further demoralized the civil service, which in some cases has retaliated not only by not working, but also by stripping assets from their places of employment. The fiscal capacity of the state has been reduced by removing sources of revenue in order to stimulate private investment. As Aron noted, "The state in Africa has come full circle to small government of pre-colonial days; but with additional hysteresis effect from past shocks of a seriously depleted current institutional capability, deterioration of the current quality and scope of social services and infrastructure provision, coupled with a fiscal position highly vulnerable to changes in foreign aid."[14] The "hollowing" of the state does not augur well for the consolidation of democracy in Africa. Indeed, for most countries, the current structure of global governance undermines local governance, creating spaces for criminalization of significant aspects of social life and allowing for delinquency by individual states in the management of national affairs. In the developing countries, this manifests itself in the replacement of "developmental" states by "regulatory" or "competitive" ones.[15] In the quest for external legitimacy to attract foreign capital, these entities tend to ignore or even suppress domestic "social pacts" and allow external experts presumed to be attractive to foreign interests to assume control of key policy instruments.

Getting Governance Right

After years of attempting, by experimentation, to rein in the state, it now seems to have dawned on the BWIs that capitalist accumulation demands a strong state.[16] Saskia Sassen reminds us that many of the things that we categorize as global are contingent on national states as administrative capacities and sources of legitimacy. Where state structures have been enfeebled by downsizing and by the ravages of a demoralized civil service, they are unlikely to facilitate globalization even in the structural adjustment form it takes in Africa. By the end of the 1980s, "good governance" was added to the policy agenda. At the time, good governance did not refer to democratization, but to essentially technocratic notions of accountability and transparency.[17] It also became a precondition for Africa's participation in globalization. In the words of Alassene Quattara:

> The second main reason why governance issues are crucial for Africa at this point in its history is because, I believe, the continent is at a cross-roads — cross-roads being swept by the winds of globalisation. If Africa takes the correct turn, towards better governance, it can take full advantage of globalisation. If, instead, African countries take the wrong turn, ignoring the forces of globalisation and neglecting to improve governance through institutional and structural reform, not only will their progress be slowed, but the very path they are following could be eradicated.[18]

The call for good governance is also driven by something that assumes the appearance of a moral rearmament of an otherwise demoralized state. However, since the impetus for such "remoralization" is in the hands of external actors, it has failed to be anchored in popular participation and to produce the kind of *élan* that only a truly national project can arouse. There is a now a flurry of programs for rehabilitating badly damaged state structures and for "capacity building." It should be emphasized, however, that the central tenet of these policies is to replace "developmental states" with essentially regulatory ones to ensure private investors of law and order and a docile labor force. Such regulatory states fall far short of the institutional capabilities that Africa needs to address its many developmental and nation-building problems.

Getting Property Structures Right

In its 1995 report, the World Bank claimed that bureaucrats were still too evident in the economy. Greater emphasis was then directed toward privatization. As a result, the process of privatization was accelerated. First, such privatization was supposed to improve the fiscal basis of the state by both providing fiscal revenue and unburdening the state of subsidy-hungry industries. Second, it was supposed to increase efficiency on the dubious grounds that privately owned firms are more efficient than public ones. Third, it was supposed to signal to foreign investors policy changes in individual countries. On the revenue side, such privatization has not been of much use. Most of the sales have been of the "fire sale" variety, promoted on the basis of donor conditionality. And the tendency to "fatten the calf" before selling it has also absorbed much of the revenue. The efficiency attributed to privatization is actually gains from competition. In most cases, one incentive to private buyers is continued monopolization in a context of inadequate regulatory instruments. As a result, the efficiency gains from privatization remain elusive. Privatization may have attracted foreign capital to buy up some of the activities, but little has gone into new ones. Finally, the current types of privatization may not be politically sustainable because they often lead to a redistribution of wealth, which either exacerbates ethnic conflict or merely "denationalizes" property without contributing to the emergence of a social class that politically supports privatization.

Getting Politics Right

Initially, good governance essentially meant getting market-friendly institutions right. Now, this has been extended to mean "getting politics right." Due partly to the internal struggles for democracy, partly to pressures from bilateral donors, and partly to pressures from non-governmental organizations (especially those concerned with human rights), BWIs have now also embraced democratization, albeit with trepidation.[19] "Good policies" now meant democracy. I should add here that the persuasive and self-deceptive Western triumphalism, which suggested that free markets and democracy were one and the same thing, also played a role. Curiously, several studies suddenly appeared to suggest that economic growth and democracy actually go hand in hand or, at least, involve no obvious trade-offs. Despite the fact that, for years, the two were treated as essentially opposed — democracy being assumed to be a luxury that nations could only enjoy at high levels of growth. Before reaching that destination, nations would have to traverse the vale of tears in which strong governments would ride roughshod over the myopic demands of the masses for instant gratification.

Getting Culture Right

More recently, it has been suggested that what was wrong with Africa was not only states or markets but also societies themselves rendered impervious to any rational, collective pursuit of the national good. African economies, once accused of wallowing in affective economic relations and dense (and debilitating) social networks suddenly found themselves lacking "social capital," much of which consisted of precisely those characteristics of which African culture had only recently had an excess.

The World Bank now has programs to enhance, mobilize, or create such social capital. NGOs have repositioned themselves and now claim not only to be involved in capacity building but also to be contributing to social capital. Judging by past experience, the social engineering presupposed by this new task should be cause for concern to those interested in cultural change in Africa.

Getting Policy Ownership Right

Over the years, African elites have been portrayed to other international elites as incapable of being trusted with their countries' affairs. For some, African elites had misused their sovereignty, and there were poorly veiled or even open suggestions that some form of recolonization may, after all, be necessary. Africa's "historical tasks," which I mentioned earlier, were viewed as not only passé but also as the actual source of Africa's tribulations. The rhetoric of the time portrays African elites as corrupt, incompetent, rent seeking, and so on. This tactic was used to justify circumvention of institutions dominated by these elites in favor of international elites in the form of NGOs or international bureaucracies. The rhetoric has produced a disempowering discourse in which local elites are portrayed as hopelessly immersed in nefarious practices and, therefore, desperately in need of external "agents of restraint," as Collier put it.

It has also produced aid-conditionality regimes vitiated by principal-agent problems.[20] The principal wants to, or must, spend money in these countries, but wants the countries to do certain things in return. The recipients want the money, but would rather do something else with it. And so recidivism has become a regular feature of the adjustment process. In turn, African policy-makers believe that shunning conditionalities is a way to avoid the full force of what they are convinced are antidevelopment policies. Indeed, some argue that their "recidivism" has sustained development in these countries by circumventing what are essentially deflationary stabilization policies.

Donors now realize that policies are best implemented when the aid recipients "own" them. While such policies as devaluation can be implemented by a handful of technocrats in the Central Bank or Treasury, the changes demanded by structural adjustment programs (SAPs) require negotiating with many actors. Not surprisingly, the new buzz words are "transfer of ownership." Unfortunately, much of this transfer has remained rhetorical or has involved a *legerdemain* that makes "business as usual" *look* different while remaining the same. Donors' representatives permanently based in key ministries continue to prepare country position papers for the recipient nations, which then proclaim them as their own. This charade is apparently the outcome of "policy dialogues," which usually involve as much intellectual exchange as that between a ventriloquist and a dummy.

IV. The Experience

Probably the key outcome of policy-making during the adjustment period is that it has been emptied of developmental objectives because the focus has been on stabilization and financial-sector concerns, which neglect the "real" economy. The fundamental policies that have been devised relate more to financial concerns than to development. Even the issue of poverty has received little attention except, perhaps, when it has seemed politically expedient to appear to do something to mitigate the negative effects of adjustment. That adjustment has failed as a prerequisite for development, let alone as a "strategy for accelerated development," is now widely accepted. Even the chief economist of the World Bank, Joseph Stiglitz, recommended, in 1998, the transcendence of the Washington consensus in order to place development back on the agenda.

These admissions from the top have yet to filter down because they apparently do not affect the policy pronouncements for African consumption. Many still insist that adjustment is working. And when it is not working, the advocates are always able to find a reason why. The reasoning goes that if a country is doing well, it is adjusting; if it does not do well, it is not adjusting. Consequently, the continued poor performance of African economies, after more than fifteen years under the tutelage of international financial institutions, is squarely blamed on noncompliance with conditionalities and recidivism. Good performance has been rare, and when it does occur, BWIs rush to claim paternity. Thus the deputy managing director of the International Monetary Fund, Alassane Quattara, would say the following about the good performance of 1994 – 95: "A key underlying contribution has come from progress made in macroeconomic stabilization and the introduction of sweeping structural reforms."[21] Most of these gains, however, were one of a kind and could be attributed to various circumstances that have little to do with policies. Improvements in terms of trade and favorable climates (as shown in fluctuations in agricultural output) explain much more than SAPs. And the recent shifts in terms of trade following the Asian financial crisis clearly demonstrate the fragility of African economies and their continued vulnerability to external factors. By 1997, the growth rates had begun to falter and are likely to have fallen further with the Asian crisis.

Recalling that Africa's share in the global economy is not due to anti-trade bias but to rates of growth, there is the ominous fact that

Table 1 Recent Economic Performance Indicators of Africa, 1993–97

Indicators	1993	1994	1995	1996	1997
GDP growth—Africa	0	2	2.7	4	2.9
–oil-exporting countries	–0.3	1.4	3.1	4.2	3.6
–non-oil-exporting countries	0.1	2.6	2.4	3.7	2.3
–least developed countries	–4	–0.7	4	4.5	2.4
Sectoral growth					
–agricultural output	0.9	3.9	1.5	5.2	1.7
–mining value-added	–0.5	–0.5	–0.2	6.5	3.8
–manufacturing value-added	–0.8	2.9	4.5	2.5	2.5
Export unit value	–7	0.5	7.3	–0.9	– 2.1
Import unit value	–5.6	1	8.7	–2.9	–1
Oil price (brent crude $/b)	16.8	23.9	20.5	22.1	20
Non-oil-commodity price	2.8	22.1	5.9	–6.3	7.6
Consumer prices	29.5	38.7	33.1	25.1	28.3
Terms-of-trade index (1990=100)	–4.5	1.2	1.5	4.6	1
Africa's share in world trade	2.4	2.4	2.2	2	1.9
Current account (US$ billions)	–9.7	–11.9	–16.2	–9.6	– 9.4

Source: ECA secretariat

investment, a key and robust determinant of long-term growth prospects, remains very low. From an average of 25.4 percent during 1975 – 84, it declined to 19.3 percent in 1995. Domestic savings also declined during the adjustment years.

Advocates of globalization claim that participation in world markets will lead to a process of convergence and productivity in different countries, as predicted by neoclassical trade and growth theory, and that the policies of adjustment were the right medicine for Africa's marginalization. Markets have been liberalized, economies made more open, and public enterprises privatized. And, undeniably, there has been a sea change in the African policy landscape. So far, policies explicitly designed to ensure that liberalization would promote greater integration and increased economic growth have failed. As a result, Mosley writes "Africa represents the most stark example of the phenomenon of limited convergence: the tendency of poorer developing countries to experience deteriorating relative income levels, in spite of having access, in principle, to higher rates of return on capital and higher possibilities for technological catch-up."[22] Structural adjustment in Africa has, thus far, meant reversing some of the changes that African governments sought. Meanwhile, countries are driven back to the production patterns of the colonial era through "back-to-the-future" adjustments of African economies and through the process of deindustrialization. Ghana is back as the "Gold Coast," Zambia is desperately trying to cling to its "Copperbelt," and so on.

Globalization in Africa has been associated with deindustrialization. African economies were the quintessential "late latecomers" to the process of industrialization. I have argued elsewhere that African economies have somehow been out of sync with developments in other parts of the world. When most economies embarked on import substitution industrialization, financed either by borrowing or debt default, much of Africa was under colonial rule, which permitted neither protection of domestic markets nor the running of deficits. Later, when a great deal of industrialization was financed through Eurodollar loans, Africans were generally reluctant borrowers; eventually, much of their borrowing was not for industrialization but to finance balance-of-payments problems. The phase of import substitution in Africa has been very short, although it is often wrongly equated in both content and duration with that of Latin America. SAPs have called for policies that have prematurely exposed African industries to global competition and thus induced widespread deindustrialization. Evidence that more successful cases have had some kind of "industrial policy" has been dismissed on the grounds that African countries lacked both the type of government and the political acumen to prevent "capture" of these policies by rent seekers and patron-client networks. We have learned from studies on technological development how countries run the risk of being locked in a permanent slow-growth trajectory if they follow the dictates of static comparative advantage. To avoid this, governments have introduced policies that generate externalities for a wide range of other industries and thus place the economy on a more growth-inducing engagement with the rest of the world. The dismissal of deliberate, strategic industrial and trade policies to shape Africa's position in the global trading system runs the distinct danger of leaving Africa on the low-productivity, low-growth path.

Waiting for Foreign Capital

Perhaps the most persuasive promise made by BWIs was that by swallowing their nostrums, countries would attract foreign capital. Indeed, this more than anything was the most attractive part of adjustment. To the surprise of the purveyors of these policies, the response of private capital to Africa's diligent adoption of SAPs has, according to the World Bank, "been disappointing." However, the poor response of private investors—both domestic and foreign—should not have come as a surprise, given the contractions of domestic markets through deflationary policies and increased competition from imported goods, the collapse of public services and infrastructure, and the pervasive political uncertainty engendered by policies that have undermined the "social pacts" that hitherto provided some modicum of social cohesion.

The BWIs seem unaware of the extent to which their activities are a source of uncertainty among businessmen. Contrary to the IMF's claims that adhesion to its policies can signal credibility and attract foreign investment, the African experience has been that the IMF's seal of approval is not taken seriously by the business community—and this was before the Asian crisis. This scepticism about the IMF's approval is understandable in light of the history of non-graduation by any African country. Indeed, there is the distinct danger that, since economies under IMF intensive care never seem to recover, the IMF presence actually signals trouble. The minimal foreign investment trickling in has gone mostly into mining activities (especially oil and gold) and in only a few countries. What little that has gone into the manufacturing industry has been driven not by plans to set up new productive enterprises but to buy up existing plants that are being sold under fire-sale privatization conditions.

In situations where the price system is imperfect, economic relations are often governed by contracts and reputation. And Africa has a serious reputation problem. We continue to contend with the Tarzan image, which has proved surprisingly indelible in the minds of many. Some of the bad publicity is the responsibility of Africa's enemies, the incurable racists, but much of it must be blamed on us or our "friends." Our contribution to this image problem has taken two forms. One is the capacity of our leaders to foment disasters that nourish the insatiable hunger of the outside world for horror stories from the "Dark Continent." The second is the mendicant stance we almost invariably assume at international conferences. Our friends reinforce this unfortunate posture by incessantly harping on our misfortunes in order to drum up aid for us. I suspect that it is this combination of our role as apparent mendicants and the paternalism of our "friends" that forced Africa out of global financial markets. African governments and regional institutions, such as the Economic Commission for Africa

Table 2 Savings and Investment in Africa 1975–97: Periodical Average (as % of GDP)

Indicator	1975–1984	1985–1989	1990–1997
Gross Domestic Savings (GDS)			
Africa	24.5	19.9	16.2
North Africa	34.1	23	18.8
Sub-Saharan Africa (SSA)	21.3	18.2	15.9
SSA excluding South Africa and Nigeria	15.3	13.4	11.1
Gross National Savings (GNS)			
Africa	21.2	15.3	12.4
North Africa	31.1	19.1	15.7
SSA	17.9	13.3	11
SSA excluding South Africa and Nigeria	12.1	8.4	4.9
Resource Transfer (GDS–GNS) Abroad			
Africa	3.3	4.6	3.8
North Africa	3	3.9	3.1
SSA	3.4	4.9	4.9
SSA excluding South Africa and Nigeria	3.2	5	6.2
Gross Domestic Investment (GDI)			
Africa	25.4	21.6	19.3
North Africa	31.7	28.7	24.6
SSA	22.9	17.7	17.3
SSA excluding South Africa and Nigeria	19.9	17.3	16.9
Resource Balance			
Africa	−4.2	−6.3	− 6.9
North Africa	−0.6	−9.6	8.9
SSA	−5	−4.4	− 5.9
SSA excluding South Africa and Nigeria	7.8	4	5.9

Source: IMF, *World Economic Outlook*, May 1997

(ECA), began declaring they could not pay their debts at a time when their debt-service ratios were much lower than those of the heavily indebted Asian and Latin American countries. The World Bank deemed us ready for a transfusion even though we were not anemic. Instead of promoting our very good record — no default — we highlighted minor weaknesses, presumably hoping this would lead to debt write-offs. Our wailing and clamor may eventually pay off, but only after we have portrayed ourselves in a not very favorable light — as "the sick man of the world." I should add here that the repressive regimes in Africa cast a pall of censorship that further "darkened" the continent.

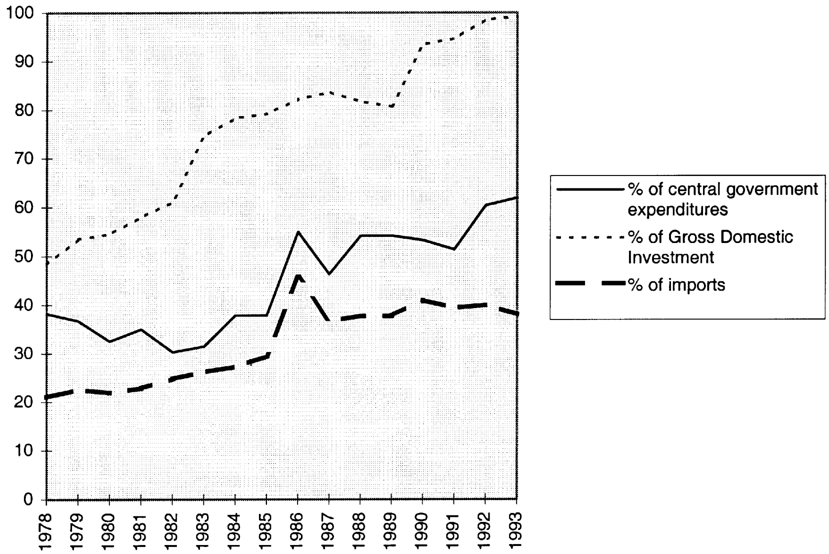
In order to drum up support or to combat "aid fatigue," the self-proclaimed friends of Africa have engaged in almost obscene harping on the poverty of African people. The World Bank's erudite listing of Africa's foibles, its ephemeral claims of success, and its growing loss of credibility even among its conservative supporters meant that its stamp of approval carried less weight than the Bank let on and certainly less than Africans were made to believe. Burdened with a negative image, Africa is unlikely to benefit from foreign savings for its accumulation purposes. Economic theory and empirical evidence support these presuppositions. Africa's image problem overshadows the "pull factors" designed to attract foreign capital.

The upshot of all this is that Africa will be hard put to attract investments for activities other than speculative or "traditional" ones like mining, where conventional wisdom has always suggested fabulous wealth can be made. And sure enough, the new wave of investments into Africa is in mining and fly-by-night forays into Africa's stock exchanges.

Aid, Debt, and Globalization

Africa is most conspicuously present in the "global village" as a recipient of aid that has increasingly taken humanitarian form and is channelled through NGOs, partly to circumvent the suspect local elites. The way chosen to assist or force African countries to adopt a particular form of adjustment has intensified Africa's aid dependence to such an extent that there are now references to African countries' "addiction" to aid. In 1978, aid accounted for an average of 38 percent of central governments' expenditures, 48 percent of Gross Domestic Investment, and 21 percent of imports of goods and services. By 1993, the figures were 62 percent, 99 percent, and 38 percent, respectively. These are obviously ultimately unsustainable levels of dependency. Significantly, these ratios were declining in other developing countries, which relied more on private capital rather than official flows. After fifteen years of adjustment, African countries find themselves more heavily indebted than ever. Between 1980 and 1992, sub-Saharan Africa's debt to international financial institutions increased by 43 billion dollars, and exports decreased by nearly 3 billion. One characteristic feature of the SSA debt is that it is with official rather than private institutions. Much has been said about debt relief but little has happened. Indeed, if there is anything distinctive about Africa's position

Figure 1 Aid Dependency in Sub-Saharan Africa



Source: World Bank CD-ROM

Table 3 External Debt and Debt-Related Statistics (billion of US$ and percentages)

	1993	1994	1995	1996	1997
Total debt (US$ billions)	301.7	312.2	329	340.6	349
As a percentage of GDP	65.4	66.3	68	67.8	67.5
As a percentage of XGS	345.6	302.1	304.9	293.4	283.9
Debt service (US$ billions)	37.7	38.3	32.9	31	33
As a percentage of XGS	28.3	25.8	30.5	29.3	21.3

Source: *ECA Economic Report*, 1998.

in the global system, it is the way its debt has been treated. John Maynard Keynes noted that if one owed someone ten dollars, one was in trouble, but if one owed someone a million dollars, then it was that someone who was in trouble. Although the debt burden for individual countries is negligible by world standards, the prospect of recovery dims when 20 percent of the indebted countries' exports are used to service debt (see Table 3). The small size of the debt of individual African countries relative to total world debt means that it poses no threat to the global system and does not require the emergency packages that some Russian, Latin American, and Asian countries have received. The *Financial Times* recently observed: "Its external debt is too large for it to bear, but too small to concentrate the minds of policymakers whose priorities lie elsewhere."[23] Debates on what to do with "debt overhang," which has frustrated resumption of growth in Africa, are conducted at a scandalously leisurely pace, at least when compared with the sense of urgency that has produced rescue packages for other parts of the world. Two years ago, the World Bank and the IMF launched a plan for Highly Indebted Poor Countries (HIPC). But since then, nothing much has happened largely because access to that plan has been conditional upon meeting highly restrictive and overly rigid criteria — conditions that are now being relaxed for Russia and the countries of Asia.

Globalization and Democratization

One promise of the nationalist struggle was democratization. Indeed, the nationalist put to use the liberal ideology that the imperialist swore by to demand "one man, one vote." However, no sooner had the nationalists come to power than they declared democracy an alien ideology and resorted to authoritarian rule, which has dominated much of Africa. In most cases, the authoritarian turn was "justified" by the imperatives of nation-building. Although the adhesion to those ideologies by a number of leaders may have been opportunistic, it obviously reflected widespread perceptions of the problems plaguing the "modernizing" states in Africa. It was conventional wisdom that nation-building in "traditional" or ethnically divided societies required a strong central authority. Charismatic leaders and strong states would be requisite to knead these diverse and putatively fissiparous identities into one.

Development and developmentalism made the same demands on the political dispensation. It was argued that accumulation of capital needed a strong government to hold in check both the "revolution of rising expectations" and the myopic vision of the masses, who sought instant gratification and failed to see that rapid growth would require putting off current consumption for higher levels of consumption later. It was taken as a matter of faith that democracy would favor "macroeconomic populism," which would lead to high levels of public consumption and to fiscal crises. This trade-off between democracy and development was part of conventional wisdom. A leading text of the time stated: "Political economy of development... poses a cruel choice between rapid (self-sustained) expansion and democratic processes."[24] The argument persists today. Thus, Krause maintains that, for the purpose of achieving a rapid industrial catch-up, a bureaucratic authoritarian regime is superior to other forms of authoritarianism and also has performed better than democratic regimes.[25] Other, more recent formulations of the "authoritarian advantage" are founded on scepticism about the economic rationality of democratic policy-making outcomes. With respect to the ability of authoritarian regimes to pursue adjustment policies, Stephen Haggard argues that

> since authoritarian political arrangements give political elites autonomy from distribution pressures, they increase the government's ability to extract resources, provide public goods, and impose the short term costs associated with efficient economic adjustment. Weak legislatures that limit the representative role of parties, the corporatist organization of interest groups, and recourse to coercion in the face of resistance should all expand government's freedom to manoeuvre on economic policy.[26]

One should note that more recent empirical tests have cast doubts on the "iron law" of the trade-off between democracy and development.[27]

By the 1990s, struggles for democracy intensified in Africa, and a significant number of gains have been registered. Donors also began to urge African countries to "get the politics right" if they were to receive any aid. However, democracy in Africa still has to contend with a formidable set of economic constraints, the ponderous interference of external institutions, and a dogmatic attenuation of choices producing what I have labelled "choiceless democracies."

One outstanding feature of this era when attempts at democratization are taking place is, of course, globalization. There are different views as to what globalization entails for democracy in the developing countries. According to one view, the "opening up" of economies and societies, the political conditionalities transmitted through global institutions, and the solidarity from movements encapsulated in the notion of "global civil society" are generally supportive of efforts at democratization in many countries. According to another view, however, the demands of globalization, especially the erosion of national sovereignty and the uniformalization of what are considered fundamentals of economic policy, limit the range of options for democratic regimes. Those who hold the first view about the dominant effect of globalization consider democracy and economic liberalization as simply two sides of the same coin: the edification of a liberal order, a natural convergence of processes that mark the triumph of liberal capitalist order and "the end of history" (in Fukuyama's words), an end-state toward which teleology has dutifully advanced us, despite the futile and foolish resistance of so much of humanity. This "good-things-go-together" approach is derived from the principle that liberal democracy and free markets always go hand in hand since both processes entail the dispersion of power and the emergence of a bourgeoisie, both of which are considered good for democracy. Similarly, those who stress the other side of the globalization coin argue that, since liberal democracy is premised on the sovereignty of nation-states and assumes that the state controls its own fate (subject only to compromises it must make and limits imposed upon it by actors), agencies and forces operating within its territorial boundaries undermine a central tenet of liberal democracy by eroding national sovereignty.

I have long argued that there is distinct danger that the "silent compulsions of market forces," the constriction of social imagination through the peremptory foreclosure of options, and the economic conditionalities imposed by international financial institutions produce "choiceless democracies" with no powers over economic policy. Globalization as manifested in Africa forces the state from its local moorings, producing states that are not beholden to local interests and that are autonomous, not with respect to the global but with respect to local politics and interest articulation. States seeking to signal foreign capital that they are in charge are tempted to assign maintenance functions to institutions immune to liberal democratic political control. Central banks are good examples of state institutions that pursue essentially maintenance activities beyond the reach of democratic control. Politicians have been quick to exploit these features and exigencies of globalization; they shirk their responsibilities to the citizens by transferring all the blame to outsiders. As Evans states:

> The effect of global ideological consensus (sometimes aptly labelled the "Washington consensus") on individual states goes well beyond the constraints imposed by any structural logic of the international economy. The fact that becoming more actively engaged in trying to improve local economic conditions risks the opprobrium, not just of powerful private actors, but also of the global hegemony makes any state intervention a very risky proposition. An ideology that considers such action

> neither possible nor desirable does, however, release the local state from responsibility for whatever economic woes its citizens may suffer at the hands of the global economy.[28]

In the belief that foreigners are attracted by "strong" governments, a number of leaders have not hesitated to engage in demonstrative violence, especially against urban populations, to attract foreign attention. In some cases, leaders who are not fundamentally undemocratic are identified as "new leaders" who will carry forward Africa's "renaissance."[29] They are then armed to ensure "stability." A consequence of all this is that the state is more preoccupied with external appreciation than domestic support.

This is serious in countries seeking to consolidate their newly acquired democratic gains, a consolidation that requires enhancing the credibility of democratic institutions and the legitimacy and respect of elected bodies. Such bodies must be seen making meaningful decisions that apply equally to all citizens within the jurisdiction of the nation-state. Practices that suggest there are "authoritarian enclaves" beholden to foreign interests and not accountable to local democratic practices erode the trust in democratic institutions and persuade citizens to reject them. States must not only promote capital accumulation, but they also must do so in a political, legitimate, and sustainable way. A state that emphasized only those policies that stimulated accumulation regardless of equity considerations would find its growth project faltering because political strife would undermine the stability necessary for attracting foreign capital. Equally, a state that focuses more on redistributive measures would eventually find itself with nothing to distribute. If African countries once erred in the direction of the latter, they are now being pushed in the opposite but equally futile direction. Modern states must walk the tightrope of accumulation and legitimization.

A surprising discovery for emerging democracies has been the rather lukewarm reception accorded them by Western countries. Geopolitical and economic concerns of the major powers have counted more in the choice of African allies than adhesion to a putatively similar ideology. The favorite countries have been those with some strategic importance or those that pursue "market-friendly" policies regardless of their violation of human rights or pursuit of undeniably authoritarian options. Even when donors have seemed to favor democracy, they seem to prefer a "tropicalized" version shorn of all the key elements of true democracy.

Regional Cooperation

African nationalism always saw itself in both national and continental terms. Indeed, for a while African nationalism and pan-Africanism were coterminous. The expectation was that liberalization would immediately be followed by some kind of regional arrangements that ultimately would unify the continent. Although the reasons for regional cooperation were couched in terms of economies of scale, among other concerns, they also point to the need for regional collaboration if Africa is to assert itself on the world scale. However, both the nature of colonial rule and the eventual trajectories followed by nationalist movements produced variants of petty nationalism; many countries striving for independence increasingly disregarded the continental dimension. Ultimately, not much was achieved in terms of regional cooperation. As a result, the continent with the most vocally expressed ideology of regional collaboration (pan-Africanism) has probably moved least in the direction of establishing viable regional arrangements.

Many factors have worked against regional integration in Africa. One is the small-mindedness of import substitution industrialization in Africa, where Lilliputian markets were taken to be the basis of viable industrialization. This, in turn, reflected the pettiness of the many dictators that were to proliferate on the continent. Content with their little fiefdoms, they lacked the vision and will to imagine larger units to which they would have to surrender some of the power they exercised over their hapless citizens. There was also, of course, the continued divide-and-rule tactic of the neocolonial powers. Africa's specific form of participation in the globalization process has not facilitated matters; one feature of it is the extent to which it has encouraged regionalism among contiguous states as a way of dealing with its own challenges in some collective way.

In Africa, much of the debate on regional integration harks back to the 1960s, when regional integration extended import substitution industrialization among planned economies. Consequently, emphasis was on complimentarity rather than on competition within the region. Regional integration in the context of globalization usually enhances the bargaining position of members in global negotiations and serves to prepare regional firms to compete equally in highly competitive global markets. Such arrangements have invariably involved some form of preferential treatment of member states. This, however, undermines the goals of structural adjustment programs, which tend to view such preferential treatment as "distortions." Indeed, in the context of Africa, the adoption of SAPs by individual African countries has often contradicted the terms of their adhesion to regional arrangements.[30]

V. Conclusion

I have sought here to examine globalization in light of the articulated nationalist agenda in Africa. The current directions of globalization, Africa's own internal conditions, and the manner in which Africa is being "adjusted" to the exigencies of globalization do not support the historical mission of African nationalism. Globalization has tended to exacerbate the internal paralysis of the reformist impulses of nationalist objectives by rendering them unviable in relation to the judgment and sanctions of international markets.

Globalization everywhere provokes particularistic responses. There are at least two possible *wrong* ways of reacting to it—either by escaping into xenophobic "fundamentalism," or "nativist," positions or by engaging in blind celebration of the "universal" by an uncritical embrace of globalization. Both reactions would constitute two ways of being lost, as suggested in the epigraph, and both responses are, alas, evident in Africa. Another approach is to acknowledge these processes and rethink how to strategically engage with them in order to shield or further one's own agenda. It is my view that the reformist impulses of the nationalist agenda, revamped to reflect the changed times, constitute a useful point of departure in dealing with globalization. The fate of Africa lies in a collective rethinking of that continent's unfulfilled humanistic tasks in light of what has transpired and the concrete situation today. Then we can recast those tasks as cornerstones of social justice, solidarity, and equality and, ultimately, reconnect the continent with the rest of the world in a mutually beneficial way. We need to create institutional designs that respond to the peculiarities of Africa's social pluralism. We may, in the process, have to rethink the attributes of a nation-state in Africa — in terms of cultural basis and territorial exclusivity — in order to give greater authority to regional arrangements and strengthen regional self-policing. ◉

Notes

1. The importance of conflicts and their management was, of course, a central feature of the "theories of modernization." It now enters as a new variable in "endogenous growth" models. A systematic empirical analysis is found in the work of Dani Rodrik (Rodrik 1997 and 1998) in which he runs a series of regressions to test the hypothesis that the manner in which social conflicts interact with institutions of conflict management plays a central role in determining the persistence of a country's growth, its response to volatility in the external environment, and the magnitude of the growth collapse following a negative shock.

2. A similar classification of models of the relationship between globalization and the state is proposed by Jayasuriya (1998): "hollowing out" enhanced strategies capacity and transformative models of the state.

3. See, for instance, Bairoch 1485 (1996) and Hirst (1996).

4. See, for instance, Held (1991) and Rosenau 1384 (1998).

5. For an informed discussion of some of the implications of "governing without governments," see Reinicke (1998).

6. Those with a more historical view will note that Africa's current share in world trade is in fact what it was at the beginning of the century. What has happened is that Asia has regained its share, which it had lost during the tumultuous 1930s–1950s period.

7. The invisibility of Africa in international affairs is not only confined to the world of journalism. In a survey of teaching courses in international relations in the United States, Dunn (1498) observes that Africa was "incredibly underrepresented" in the curriculum of some of the leading American universities.

8. It is, however, ironic that the putative demise of "dependencia" should occur precisely as Africa entered the intensive care of neocolonial tutelage under which the continent was to be most dependent on foreign institutions. The brighter prospects cast a revealing light on dependence. Could this be suggestive of the fact that dependence could only be a concern and independence imagined when Africa was most likely to break it? Interestingly, the new sensitivity to dependence is spurred not by economic relations but by political struggles. Democratization and the prospects of participation in policy-making have sharply brought out the conflict between democratic demands and the exigencies of policy dependence defined by a tantalizing number of conditionalities. Democratically elected governments have to contend with global forces that severely constrict the choice set of policy-makers. Dependency now takes the form of "lack of ownership" of policies ensured by a cascade of conditionalities.

9. The extent of this dependence is highlighted by the case of Uganda where the World Bank is even assigned the task of soliciting funds from other donors for national projects, prompting Himbara and Sultan to refer to Uganda as a "Bantustan state" (Himbara and Sultan 1994). Polemics aside, the issues they point out are generally valid and have been recognized in the growing concern over "ownership" of policies.

10. Holman, *Financial Times* (1998): 7.

11. For a wide-eyed, celebratory account of these leaders, see Connell 1322 (1998).

12. Kwame Anthony Appiah is convinced that:

> The National Bourgeoisie that took on the baton of nationalisation, industrialisation, bureaucratisation in the name of nationalism, turned out to be a kleptocracy. Their enthusiasm for nativism was a rationalisation of their urge to keep the national bourgeoisie of other nations — particularly the powerful industrial nations—out of their way (1992).

13. D. Rodrik, "Globalization, Social Conflict and Economic Growth," no. 1327 (1997): 5, found in *http://www.nber.org/* drodrik/papers.html

14. J. Aron, "The Institutional Foundations of Growth," Ellis, S., ed., *Africa Now: People, Policies and Institutions* (London: James Currey, 1996), 117.

15. This is similar to Cerney's (1996) point that the new global economy is paralleled by a shift from "welfare state" to "competition state."

16. The recognition of this important role is articulated in the 1997 World Development Report (World Bank 1997).

17. In 1996, the IMF also joined the "good governance" bandwagon. A "Guidance Note" on good governance was adopted by the IMF executive board in 1997. The IMF's view was similar to that of Monsieur Jordain, who discovered he had been speaking in prose all his life. The IMF claims it has:

> . . . long provided advice and technical assistance that has helped to foster good governance, such as promoting public sector transparency and accountability. The IMF contributes to promoting good governance in member countries through different channels. First, in its policy advice, the IMF has assisted its member countries in creating systems that limit the scope for ad hoc decision making, for rent seeking, and for undesirable preferential treatment of individuals or organisations. To this end, the IMF has encouraged, among other things, liberalisation of the exchange, trade, and price systems, and the elimination of direct credit allocation. Second, IMF technical assistance has helped member countries in enhancing their capacity to design and implement economic policies, in building effective policy-making institutions, and in improving public sector accountability. Third, the IMF has promoted transparency in financial transactions in the government budget, central bank, and the public sector more generally, and has provided assistance to improve accounting, auditing, and statistical systems. In all these ways, the IMF has helped countries to improve governance, to limit the opportunity for corruption, and to increase the likelihood of exposing instances of poor governance (IMF 1997b: 1).

Significantly, nowhere in the "Guidance Note" is the word democracy used.

18. Alassene Quattera 1486 (1997).

19. These institutions' political economy was heavily influenced by the public-choice school and especially by the view that the policy regimes they were now seeking to overthrow were a result of rent seeking. Although democracy might empower the majority, the logic of collective action suggested that it was the better organized minority that was likely to "capture" state policies. Not surprisingly, support for democratization was hedged by all kinds of caveats. It was often based on the hope that democracy might make swallowing the bitter pill more tolerable, especially if a number of high profile measures to mitigate the impact of structural adjustment programs (SAPs) were intro-

duced. Perish the thought that democratically elected governments might have any other policy option than SAPs.

20. The apparent seriousness of this problem has spawned a rapidly expanding literature on the effectiveness of conditionalities. (See, for example, Bird 1997b; Bird and Rowlands 1997; Collier 1996; Killick 1996 and 1997).

21. Alassene Quattera 1486 (1997).

22. Mosley, "Globalization, Economic Policy and Poverty in Sub-Saharan Africa 1970–95" (Reading: University of Reading, Department of Economics, 1996).

23. *Financial Times* (1998).

24. J. Bhagwati, The Economics of Underdeveloped Countries (London: Weidenfield Nicholson, 1966).

25. This is far from being an isolated view. For discussions of similar views, see Errson and Lane 1996; Findlay 1988; Leftwich 1996a and 1996b; Przevorski and Limongi 1995 and 1997; Sørensen 1993).

26. S. Haggard, *Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries* (Ithaca, N.Y.: Cornell University Press, 1990), 262.

27. See, for instance, (Bardhan 1993; Errson and Lane 1996; Przevorski and Limongi 1995 and 1997).

28. P. Evans, "The Eclipse of the State? Reflections on Stateness in the Era of Globalization," *World Politics* 50 (1997): 72.

29. For this perspective on the "new leaders," see Connell 1322 (1998).

30. Some argue that the export orientation of SAPs will create a lobby for regional integration from among those firms engaged in exports (Aryeetey and Oduro 1996). This need not happen. Orientation toward global markets can actually undercut interest in regional markets among export-oriented firms.

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