

# Africa: Imperatives for Delinking from the Capitalist World Economy\*

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## Introduction

One of the glaring facts of to-day is that Africa's recent economic performance has been poor.<sup>1</sup> These may be some differences between countries but they are ones of degree and not of kind. On a number of economic indicators Africa has performed badly no matter how much or little credibility is given to these indicators and the measurement problems associated with them.<sup>2</sup> One of the worst hit sectors is the agricultural sector where declining production has occurred in food and traditional primary export commodities. Table I and II summarize some agricultural indicators.

From the tables and other information provided by FAO<sup>3</sup>, the following conclusions may be drawn on the condition of agricultural production in general:

- The percentage of total population in agriculture stood at 64.7% in 1982 having dropped by 8% since 1970. This drop, however, is not explained by a rise in industrial employment in the cities and must therefore represent rural/urban migration exacerbating urban unemployment.
- The contribution of agriculture to total production remains high.
- Total food production has increased more slowly than population growth.<sup>4</sup>
- Per capita food output has fallen sometime by as much as 30%.
- Overall agricultural production has declined, again by as much as 30%.

Among the important export crops, i.e. coffee, cocoa, tea and cotton, the following trend is discernible: area harvested has grown while yields per hectare have fallen along with total output. This suggests a decline in productivity. For Africa as a whole, for example, coffee area expanded from 3263 thousand hectares (1974-76) to 3591 thousand hectares (1982), yields fell from 382 kg/ha to 336 kg/ha and total output fell from 1247 thousand metric tons to 1206 thousand metric tons in the same year. For cereals, the general observation is that area harvested grew and yields per hectare dropped, while total production remained stable or rose slightly.<sup>5</sup> This suggests that productivity in cereal production has fallen.

## Explaining the Decline in Production

### Economistic/Policy Explanations

A number of attempts have been made to explain the decline in production. Almost all of the policy explanations have looked for and, *post hoc ergo propter hoc*, found causes emanating from the last twenty years or so of political independence.

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The World Bank report of 1901.<sup>6</sup> identifies the major obstacle as misguided government policies whose effect has been to distort the incentive structures in favour of the manufacturing industries and urban dwellers at the expense of agriculture and rural dwellers.<sup>7</sup> It suggests that government intervention should be reduced, price incentives introduced for farmers and primary commodity export production strengthened. Johnston and Clark<sup>8</sup> and others place the blame on large scale government undertakings which are usually too rigid and unwieldy to respond to changes in factor markets. Goran Hyden<sup>9</sup> blames the decline on the failure of an entrepreneurial class to emerge because of the dominance of state monopolies. The OAU in the *Lagos Plan of Action*<sup>10</sup> places the blame on the market power in the possession of Africa's trading partners which results in negative terms of trade on the one hand and worldwide declining prices for agricultural exports on the other. Other analysts<sup>11</sup> have blamed the bloated or overdeveloped bureaucracies which not only formulate distortive policies but also drain the investible surplus through overmanned, patronizing crop authorities. This, it is argued, starves agriculture of fair returns and the necessary investment.

Briefly, economic inefficiency, incorrect public policies and mismanagement are the key problems. A few other explanations tend to focus on the global recession while others, reminiscent of Jevons' sun-spot theory, place the blame on weather conditions.

As will be clear, most of the foregoing explanations operate at the level of institutional policy or organizational problems. As pointed out earlier, the World Bank would like to see much less government involvement in the economy, more liberalization and increased incentives for primary commodity export production. So would Hyden and Abernathy, both of whom would further want to see a reduction in the number of public servants. The *Lagos Plan of Action* seeks to develop the African home markets but is emphatic about the necessity of external resource transfers to finance diversification and economic transformation. No serious strategy for autocentric accumulation is proposed. Finally, UNCTAD and the movement for a NIEO would like to establish institutions and strengthen international regimes that could ensure equitable distribution of gains from trade and investment between the North and the South.

It should also be noted that all these explanations implicitly assume that commodity export trade is desirable and even, perhaps, necessary. In so far as they deal with internal conditions, in economic terms, they confine themselves to the question of 'how to produce'. They completely ignore the other two fundamental economic questions: 'what is produced' or the composition of production and 'production for whom' or production priorities. In other words, no questions are raised either on the structure of production or on the relationship between what is produced and the needs of the producers. Moreover, as we mentioned before, these explanations tend to analyse African economies beginning with the period of constitutional independence. Little or no attempt is made to examine these economies as they have evolved over a much longer period and to suggest possible historical explanations. For example, little work has been done to address the long term impact of primary commodity

production on labour productivity, land use and general economic development at the producer level.<sup>12</sup> And yet we know from casual observation that the rural areas have not made any tangible, let alone sustained, progress as a result of producing export commodities since the colonial days.

Further, as Kjekshus<sup>13</sup> has argued, before the colonial occupation a large part of Africa was not only self-sufficient in food but generated food surpluses with highly sophisticated agrarian systems. No concrete and systematic (cumulative) studies have been conducted to establish what has happened in the system of production to reverse this situation. This brings us to the importance of historical rather than economic/policy explanations.

### Historical Explanations

A badly neglected and highly contentious historical question is the assessment of the long term impact of the trans-Antlantic slave trade on the African economic, social and political systems. Little effort (on the part of African scholars) has gone into analysing the four centuries of this horrendous historical process which preceded formal partition and occupation of Africa. Among the few and hopefully growing endeavours are these by J.E. Inikori. Inikori<sup>14</sup> has made a strong and persuasive claim that the demographic impact of the African slave trade was de-population of the continent at a scale comparable to the black death in 14th century Europe. A number of demographic estimates show that between the 16th and the 19th century Africa's population was either stagnant or declining. For example, it is estimated by Kay<sup>15</sup> at the upper end of the scale that this 'trade' forcefully removed nearly 50 million people of ages between ten and thirty from the whole continent, a sizeable part of the total population most of whom were the able bodied (working age) population. We have to address the long term impact of such a population hemorrhage which must have left Africa with a demographic structure of children and old people for a long period. The implications of this for any system of production are clear.

Quite apart from the numbers question, which remains contentious, there are questions of the mode of procurement which engendered widespread violence. People were always in a state of fright from slave raiders. Perhaps a personal anecdote might illustrate the point. When I was growing up (less than forty years ago) my grandmother used to caution us against staying out alone after dark because there were slave catchers and we might never be seen again. The economic climate prevailing under such conditions would be one of extreme uncertainty and instability. Such a climate is not conducive to sustained economic activity, let alone the development of the forces of production. It was in this climate that the export crops were coercively imposed and they continue to be produced under quasi-coercive conditions. However, it should be remembered that the people resisted these crops then, they have continued to resist them to this day.

These are facts on which differences of interpretation abound. For Walter Rodney<sup>16</sup> and Franz Fanon<sup>17</sup>, for example, the 'social violence' which characterized the slave trade had far reaching socio-economic, political and psychological consequences, not only for the people transported in slavery but also for those who escaped capture. Other writers, like Margery Perham<sup>18</sup>, however, tend to look at

that period as the necessary price that Africa had to pay to be civilized by Europe. The latter group of authors contends that African had no history before the coming of the Europeans. The majority of African historians seems to implicitly accept this assertion by studying African history largely from the time of colonial occupation onwards. And yet colonial occupation was a phase which directly succeeded the slave raiding phase of European imperialism. Whatever position one takes on these questions, it is important to comprehend the long term consequences of the slave trading period in all its manifestations. It makes a difference whether, in analysing African problems to-day, we are looking at a continent and a people (all over the world) that are emerging from centuries of subjugation, oppression, exploitation and de-population,<sup>19</sup> or at a continent which inherited a colonial legacy twenty years or so ago and have messed it up. In other words, is the African cup half full or half empty? Would the situation have been different today, to beg the question, if formal colonialism had continued? In what ways? Underlying these questions, is the issue of the overall historical impact of Europe's contact with Africa and all colonized people from the 15th century to-date. We must answer these questions in very specific and unequivocal terms.

In our view, Africa's present problems are not primarily of a conjunctural nature. They can not be reduced simply to issues of policies, organization, institutions, etc. Africa's present problems are of a historico-organic nature. The economic problems are merely one dimensional, albeit a very crucial one. Africa's problems have to do with the history of the African people, not over the last twenty years or so, but over the last five centuries. We will not, in this paper, go into the details of the trans-Antlantic slave trade and its effects on the African economy and polity. Neither will we dwell on the full impact of colonial occupation. Suffice it to say that, in our view, Africa's problems arise, in the first instance, from its position and role given it by the capitalist world system in its historical development. That role and position, established in the latter part of the 15th century, has not changed in essence. The subordinate position of Africa certainly has not changed at all and its role has changed only in form.

From the supply of labour to fuel European expansion to the New World between the 16th and 19th centuries, Africa took on a new role with the abolition of the slave trade and the partition of the continent in 1884. It is no accident, therefore, that the end of the slave trade to Brazil and Cuba in 1882 was followed, two years later, by the Berlin Conference at which Africa was partitioned. In the Berlin Convention itself two clauses stand out. One requires that any claim over any territory should be backed by effective occupation (a principle which has earlier been established in the scramble for the New World). The other was the prohibition of slave trading between the colonial territories. What this means is that, by the late 19th century, Africa had graduated from supplying labour to the Americas and the Caribbean Islands to being exploited in its own territory under equally coercive conditions. King Leopold's Congo serves as testimony to the change that had occurred. The brutality perpetrated by the Belgians on the people of the Congo is sickening to describe. It included cutting off peoples' hands and women's breasts when they failed to collect the required amounts of rubber. The partition, on the whole, heralded a whole new

era of coercive export crop production with coercive labour. In Tanganyika, under the Germans, the application of lashes was quite common. Later on, under the British, this coercion assumed economic forms such as hut tax or a poll tax.

To sum up, beginning with colonial occupation, Africans were made to meet the new even more expanded demands of Europe, particularly after the colonies of European emigrants began to rebel beginning with the United States. These demands included rubber in the Congo after the motor car was invented in 1888 and the vulcanization process was adopted around the same time. These demands also spawned an expanded market for coffee, cocoa and tea from East and West Africa after African slave labour had supplied sufficient amounts of sugar (a complementary) in the West Indies to raise it from a luxury to a necessity. Cotton and har fibres were needed to supply the textile industry as well as provide the twine for trans-ocean transportation of commodities. Minerals from central and southern Africa went to feed the heavy industries manufacturing machinery, ships, etc. No wonder African labour was required at home in order to further the exploitation of its resources. Such are the 'economies' which were established with barbaric violence and continue to be reproduced by petty bourgeois governments under quasi-coercive conditions. What is perceived as economic inefficiency, therefore, is nothing less than an expression of resistance by the workers and peasants against the historically enduring exploitation described above. Certainly, in trying to understand the present situation, we must pose questions at this historical level. Narrower and short term questions will obscure more than they illuminate.<sup>20</sup>

### Concrete forms of Africa's Subordination and Exploitation.

Sometimes, the term 'incorporation' is used to describe the conquest and subjugation of other countries by Europe beginning in the 15th century. This might be true in those cases where a European settler majority overwhelmed the indigenous people or physically annihilated them to set up colonies *par excellence*. This is certainly the case with the US and Canada where the native Indians were systematically decimated. It is also true in the cases of Australia and New Zealand where the Aborigines and the Maoris respectively were equally subdued. In these cases, the colonies that emerged were seen by the home country and saw themselves, at least initially, as extensions of the metropolitan power. They were not treated simply as sources of raw materials, cheap labour and food. These were colonies for settlement; not for exploitation.

In Africa, history took a different course. In spite of the slave trade and the depopulation that resulted from it, it was not possible to annihilate people over extensive areas to establish exclusively white settlements. The closest that Africa got to this model is South Africa where the Khoi Khoi people were decimated by European diseases and military might in the 16th century. The rest resisted and have continued to struggle against foreign domination to this day. In this sense, Europe did not make Africa into extensions as it did with America, Australia and New Zealand.<sup>21</sup>

By the mid 1950s, at the time of constitutional independence, Africa had a

number of 'countries' with a whole range of colonial statuses. There were no *settler majority* colonies. There were, however, a number of *settler minority* colonies. These included Algeria, Kenya, The Federation of Rhodesia and Nyasaland, the Portuguese colonies and South Africa which is a cross between the two types of settler colonies. There were also the *non settler* or administrative colonies which made up the bulk of British and French territories. They included Nigeria, Gold Coast, Ivory Coast, Comeroon, Tanganyika and others. It is instructive to note the resource specific names given to some of them. This is consistent with their status as colonies of exploitation, just like the Caribbean Islands were known as 'sugar islands'.

In the settler minority colonies, the European settlers asserted some autonomy from the mother country and staked a claim on the resources of the territories they occupied. They exercised some local authority and control over land and labour. In almost all cases, utilizing African labour, they set up and ran the plantations that produced commodities for the metropolitan market in return for manufactured commodities. In the non settler colonies like Ghana, Nigeria and Tanganyika, indirect rule through traditional rulers was the dominant mode of domination. In the later colonies, the production of commodities for the European mass markets was undertaken predominantly by peasants under the behest of traditional rulers and colonial personnel. The colonial crops were the only ones that occupied the minds of agricultural researchers in both cases. Virtually no attention was paid to food production, and in some cases food production was discouraged in favour of colonial crops. Colonial economies were conceived mainly as overseas plantations of the metropolitan powers, and this situation remains largely unchanged.

Since the attainment of constitutional independence few, if any, African countries have address the question of transforming these inherited structures of production. In some case, these structures have been reinforced by the addition of more export crops. No African country has a serious agrarian transformation plan, let alone a comprehensive overall economic plan. Most plans are merely shopping lists projecting higher targets of the same commodities. Meanwhile, however, the colonial commodity markets are threatened by overproduction, saturation or substitution. Synthetics have nibbled away the market for hard fibres. Cane sugar was first confronted by European beet sugar and now it has to compete with corn sweeteners and artificial sugars. Coffee producers scramble for a market that has been over-supplied for most of this century and has recently found a substitute made from wheat. In the market for cotton, synthetic fabrics compete. Changing tastes have eroded the market for cocoa. In general, the anti-sucrose, anti-caffeine, anti-nicotine and anti other 'drugs' wars are likely to grow and erode the markets further. Meanwhile, a food crisis of famine proportions pervades the continent.<sup>22</sup>

Because of what we have just discussed, commodity markets have been and will continue to behave quite erratically, while costs of production continue to rise. The 1985 cost of production for sugar, for example, was estimated at US \$ 0.20 per pound while the world marked price stood at US \$ 0.04. To address this problem, most third world countries, including the African countries, have opted for a strategy of negotiating for a New International Economic Order to secure guaranteed markets as well as remunerative and equitable prices for their exports.<sup>23</sup> Apart from the fact

that these demands are being strongly resisted by the industrialized countries, there is something ironically ominous about them. In the absence of a just, supranational and authoritative allocation mechanism over the world's resources, such as was suggested by Hiroschmann<sup>24</sup> in the context of the United Nations after World War II, a NIEO as now conceived is bound to have negative consequences. By obtaining agreements for stable markets for example, it would have the effect of locking these countries into depressed and eroding markets. The Lome sugar protocol is a good case in point. The EEC is currently a net exporter of sugar to the tune of 5.5 million tons per annum. It does not make any economic sense that these same countries should contract to buy 1.3 million tons of ACP sugar at preferential prices. This sugar, by the way, is dumped back on the residual world market where it further depresses the so called free market prices. It has been suggested that in both the sugar protocol and Stabex the pay of the EEC is not direct. The arrangements are a means of guaranteeing to Europe present and future access to Africa's mineral wealth, protecting present and future investments and preserving strategic interests. And at what cost of Africa? Poverty, hunger and general deprivation. What then is to be done? Two broad choices are considered in this paper: staying within the capitalist world economy or opting out.

### Free Trade vs Protectionism

In order to discover and understand the implications of either of these choices, we shall focus our discussion on a debate that is currently topical among development economists and all those concerned about the economic future of third world societies. That debate centres around the role and contribution of international trade and investment in the development of third world countries. Let us review some of the more noted protagonists of each position in brief. Many bourgeois economists such as A.O. Krueger<sup>25</sup>, B. Balassa<sup>26</sup>, H. Johnson<sup>27</sup>, Haberler<sup>28</sup>, and many others, have argued that free trade in general and export orientation in particular can act as an engine of economic growth for third world countries. Proverbially, they project the case of the four or five NICs (Taiwan, Hong-Kong, South Korea, Singapore and Brazil) as distinct example of rapid export led growth. The argument is extrapolated to suggest that other third world countries can achieve similar results as long as they maintain an open door policy and encourage foreign investment in manufacturing. Further extrapolation claims that primary agricultural export production can also lead to economic diversification and transformation.

At the opposite end there are these who, following F. List<sup>29</sup>, S. Amin<sup>30</sup> and others, have emphasized the development of a home market or national economy as a *sine qua non* for sustained economic growth in each country and long run expansion in international trade. The former we shall call the 'free traders' and the latter the 'protectionists'.

The 'free traders' in their policy prescriptions advocated open participation in international trade and investment on the basis of 'comparative advantage' regardless of the level of development of the individual countries. They contend that trade benefits all participants by ensuring pare to optimal allocation of resources. The 'pro-

tectionists', on the contrary, insist that a country must delink or disengage from international economic intercourse as long as it is economically much weaker than its trading partners.

It should be noted that both arguments tend to be conceptual. That is because they do not always show the concrete historical circumstances under which their favoured model may have evolved. This fact tends to undermine their explanatory value as well as to limit their practical application. For example, the free traders do not always discuss the fact that when Ricardo<sup>31</sup>, their mentor, made the argument for free trade under comparative advantage he was not setting out to provide a universal prescription for international trade. Written in 1821, Ricardo's treatise was prompted by British dominance in the manufacturing industry. This is the time that Britain boasted of being the workshop of the world. It is, therefore, no accident that in his classic illustration of comparative advantage, Britain was to produce cloth while Portugal produced wine. The Manchester textile industry needed to procure export markets and this could not be accomplished if other countries were to develop their own textile industries. The Indian industry was liquidated for this reason. Similarly, the arguments made by Cobden and others in the 1840s in favour of the removal of corn laws were aimed at securing supplies of cheap food for the burgeoning industrial labour force in England. In both cases, the free trade arguments represented the interests of an established industrial bourgeoisie against those of the landed gentry. They also served to justify and reinforce England's dominance in trade and industry.

The protectionist are not always explicit about the fact that F. List was, in the first instance, a strong German nationalist. But he was not the first European to make a case for a strong national economy. The classical mercantilists of the 17th and 18th centuries (Thomas Mun<sup>32</sup> of England and Colbert<sup>33</sup> of France) were strongly protectionist when it suited their countries in the rivalry for colonies. The *Pacte Coloniale* and the *Navigation Acts* are nothing but instruments for exclusive economic monopoly at home and abroad. In his *National system of Political Economy* (1841) List was essentially putting forward a programme for Germany, a late capitalist developer, to challenge British and French economic hegemony not just over the German economy but in Europe and the world as a whole. He was saying to Germany: "Protect and develop the home industry when you are dominated from abroad". List had a profound influence on the US 'Tariff Controversy' of the early 1800s. It is also no accident that the English free trade movement was concurrent with the German and American protectionist movements in the mid 19th century. The former is the doctrine of the strong while the latter is and should be the doctrine of the weak.

### The Imperatives of Delinking from the Capitalist World Economy

We have analysed the historical process and consequences of the subordination and exploitation of Africa. As a result of this process, African 'economies' are externally oriented, producing commodities for metropolitan countries at the expenses of their own needs - particularly for needs. At the same time, the export commodities

they produce are faced by structural surpluses, falling prices and rising production costs. Because of these contradictions, agricultural output has been declining in spite of government policies to increase total output and maximize total revenue on quantity to counteract the declining prices. In some areas of Tanzania, for example, peasants have independently abandoned coffee, tea and cashew production in spite of (stiff) penalties that accompany such actions. In our view, it is the peasants or the plantation workers who feel the long term effects of unstable and declining commodity prices most strongly. Apart from the fact that the quality of their lives has not improved over the decades of export crop production and that their subsistence base is severely threatened, they know that in 1950, for example, they could buy a bicycle with one bag of coffee and can not find one to buy to-day with five bags. At the producer level the proverbial negative terms of trade are very real.

The African Governors' caucus of the World Bank and IMF acknowledged in 1982. "In agriculture, export crop production has not increased for the last twenty years. Worse still, food production has declined during the same period giving rise to an intolerable food dependency".<sup>34</sup> The decline in food production is not simply a reflection of export crop orientation or negative price policies; it is also a manifestation of a 'scissor crisis'. With manufacturing industry operating at less than 40% capacity and the resulting scarcity in basic commodities, exchange relations between industry (urban areas) and agriculture (rural areas) are gradually diminishing. Given the rupture of reciprocal (agriculture/manufacturing) economic relations, a growing urban population and declining food deliveries to the cities, African governments will steadily resort to naked force to extract surplus product from the peasants and to maintain order in the towns. How far and how long such repression can continue without precipitating popular rebellions is anyone's guess.

This situation calls for major and deliberate decisions on the part of our governments if only from the standpoint of *raison d'état*. To be more specific, ways have to be found to stem the tide of declining production if a general breakdown of the social order is to be avoided. For African economies to qualify for the name '*Oikonomia*' (meaning household management), they must, primarily, meet the needs of the people. A country or state without an economy is like an empty shell. Without a national economy, i.e. one with a critical minimum level of self-sufficiency, a state can not meet even the minimal goals of maintaining civil order, the reproduction and protection of life, assurance of social welfare, etc. Under such conditions the legitimacy of the state is virtually non-existent. The goals of self-determination in foreign policy are bound to be equally compromised. How can a country pursue autonomous and consistent foreign policy objectives which are opposed to the wishes of its benefactors? The imperatives of self-determination, state autonomy, self-sufficiency in necessities and maintenance of a civil order and national defence dictate that African countries delink from the capitalist world system and move seriously towards a unified economy and polity. The regional integration schemes so far attempted have not fared well and can not be expected to lead an integrated economic transformation because the member countries, individually, have remained entrapped in the capitalist world economy.

What then, is to be done? Having reviewed the evidence above, there should be little ground for vacillation on this question. The capitalist world system is the cause

of Africa's problems. It is also not about to provide a solution. In the short run the system might be advantageous to the petty bourgeoisie and the comprador elements but to the workers and peasants 'poverty is the product'. The logical and, in our view, historically necessary solution is to delink from the capitalist world economy and set in motion the forces for continental unification. Let us now turn to some historical models of delinking to see what lessons can be gleaned from them.<sup>35</sup>

### Historical Models of Delinking<sup>36</sup>

#### *The German Model* (Delinking with a national bourgeoisie)

In Germany, the name F. List is associated not only with the establishment of German national industry under government protection but also with the formation of the common customs union — the '*Zollverein*', the national system of railways, the unification of Germany in 1871 and delinking of the German economy in 1879. It has been argued, however, that List's true claim to fame was as a prophet of the ambitions of all underdeveloped countries rather than a champion of protection per se. List himself says:

Free competition between two nations can only be mutually beneficial in case both of them are in a nearly equal position of industrial development, and that *any nation* which owing to misfortune is behind others in industry, commerce and navigation, while she nevertheless possesses the mental and material means for developing those acquisition, must first of all strengthen her own individual powers in order to fit herself to enter into free competition with more advanced nations (Emphasis added).<sup>37</sup>

List's model requires the mobilization of domestic resource in industry, the removal of internal duties to promote internal trade and the imposition of high tariffs and duties against foreign imports including the application of retaliatory tariffs. In this model, the burden of accumulation is to be imposed on all citizens in the form of high taxes, high prices and the purchase of domestic goods which are inferior to imports. List also emphasizes urbanization and industrialization ... which calls forth and promotes the growth of intellectual and moral forces of every kind, fostering of productive powers including political, administrative and social institutions, natural and human resources, industrial establishments and public works'. He also calls for a suitable rule of law with due protection of private property, use of land and mineral resources to the best industrial advantage and for development of skills among young people and the professions. The state is required to construct and maintain an adequate system of railways, roads, canals, bridges, harbors etc.

It is quite clear that, in this model, List was propounding an argument for the development of a national industrial bourgeoisie under the tutelage of the state. This model, adopted by 19th century Germany, was also emulated by Japan in the early twentieth century. It is a model for alter capitalist industrialisation.

#### *The Cuban Model* (Revolutionary delinking with socialist co-operation)

In 1959, after the fall of Havana to the 26th July Movement, nobody had any idea what the Cuban revolution would be like two and one half decades later. Two major forces dialectically shaped the course of the Cuban revolution. Internally, the process of consolidation of the revolution which included land reforms as well as the re-organization of industry and commerce, forced the 26th of July Movement to

refine its ideological position, culminating in the establishment of the Communist Party of Cuba in 1961. Externally, the US's open hostility towards the Cuban revolution, provoked by the expropriation of its commercial, industrial and banking interests, led to an economic embargo of Cuba at the time when the revolution was still fragile. The US maliciously severed Cuba's sugar export market, lines of credit and all trading arrangements in an effort to quarantine the island and strangle the revolution. This combination of internal and external contradictions forced Cuba to forge new alliances with the COMECON countries. Twentyfive years later, this relationship still flourishes. It has enabled Cuba to make significant strides in social, economic and industrial development as well as play an active role in the world revolutionary movement. Indeed, the relationship has endured for so long and so successfully that it has come to be known as the Cuban model of disengagement or delinking.

The Cuban model suggests that a small and relatively poor country under imperialist domination can successfully delink from the capitalist world economy with an internal socialist revolution and the support of more advanced socialist countries. It should be pointed out, however, that mutual support among socialist countries was not invented after the Cuban Revolution. Socialist theory and practice has always had components and proletarian internationalism as well as visions of a socialist world system or a socialist division of labour on a world scale. It is also worth remembering that long before the Cuban revolution, under COMECON, the socialist countries had already formed an economic community in which efforts were being made to institute a division of labour between themselves presumably with an eye to eventually fully integrating their economies. But, strictly speaking, revolutionary disengagement dates back to the early years of the Bolshevik revolution. In the Soviet industrialization debate which followed the NEP in the 1920s, the key question was how to build a strong economy in the Soviet Union given that the anticipated revolutions in the advanced capitalist countries had not taken place.

Three positions were taken on the question. Lenin's position advocated some reliance on external resources from the capitalist countries. Preobrazhenski and Trotsky took the position that accumulation should proceed gradually with emphasis on raising the standard of living of the working class and encouraging the rich peasants or kulaks. Stalin and (for a while) Bukharin argued for imposing the burden of capital formation on the peasantry through the collectivization of agriculture. This had the double objective of pumping a labour force into industry and ensuring the increased production to feed the growing industrial labour force. The central issue was how to achieve socialist accumulation without exploitation, colonialism, plunder and robbery — the chief momenta of primitive accumulation in the capitalist world economy. In the event, the third strategy was adopted.

#### *The Chinese Korean Model* (Revolutionary delinking with indigenization)

After the revolution, in 1949, China embarked on a two-pronged strategy of socio-economic transformation. On the one hand, China received considerable economic and technical assistance from the Soviet Union. On the other, China pur-

sued a policy of grass roots participation which, among other things, included the operation of backyard iron smelters and the collection of night soil to manure collective farms. This policy was followed until the early 1960s when differences emerged between China and the Soviet Union. From that time to the early 1970s, China followed a policy of self-reliance on domestic capital accumulation with selective importation of some capital goods. Trade relations involving barter arrangements were also established with third world countries.

In 1976, China launched the policy of the 'four modernisations' which, in general, seeks to accelerate the development of the productive forces through the adoption of advanced Western technology. The debate which ensued within China and the political struggles which led to the discredit of the 'gang of four' were concerned with whether China was politically ready to take this step without the risk of becoming subordinated again to the capitalist world economy. There is still no clear indication of how far China will go in its liberalization programme. Nonetheless, the Chinese experience provides some lessons for third world countries seeking to delink from the capitalist world economy.

Korea was a Japanese colony from 1910 to 1945. The *Juche* idea which has guided North Korea's political and economic development in the last three decades emerged as a response to Japanese imperialism and cultural domination. This domination had spawned a political and cultural tradition of subservience to foreign forces known as *sadae*. *Juche* is the counter-culture.

It is now generally agreed that North Korea has reversed the culture of subservience. Through pursuing a policy of socialist self-reliance and non-alignment to East or West, North Korea has successfully restructured its economy from an externally oriented raw material and agricultural exporter to an integrated, inward and self-sustaining industrial economy with a reduced foreign trade sector. In the early 1950s North Korea relied rather heavily on assistance from the Soviet Union and was faced with the choice of adopting the Soviet model and integrating its economy with the COMECON countries or developing an economy which was in essence self-reliant. The latter choice was made in the early 1960s and the *Juche* became the guiding doctrine. Echoes of List can be heard in the following quote from a North Korean paper: "Each country must develop its economy in a many sided way; each country must grow into an independent economic unit which is run with its own technique, natural resources, raw and other materials and its own efforts and personnel".<sup>38</sup> The principle of economic self-reliance is an entrenched clause in the constitution of the Democratic People's Republic of Korea (DPRK). Self-reliance is emphasized not only in the economic sphere but also in political, social and ideological matters.

Assessing North Korea's performance, White had the following to say: The DPRK has done a creditable job in developing a fairly sophisticated and balanced industrial economy with a relatively small foreign trade sector (17.8% in 1967, rising to about 30% in 1974) and a relatively high degree of self sufficiency in food grains, industrial raw materials, basic consumer goods and industrial machines and equipment.<sup>39</sup>

North Korea has been able to achieve the above through the maintenance of a strong state, a determined revolutionary party and committed leadership, a united and mobilized people and an economic strategy based on meeting domestic needs with

domestic resources. This is also a strategy which, in North Korea thinking, will make it easier to re-unify the country. This is very relevant for thinking about Africa's unification.

### The necessary Political conditions for Delinking

None of the models advanced above is theoretical in an abstract sense. All of them represent concrete historical cases which emerged under specific political conditions.

Let us begin with the German case. Although the intellectual argument was made by F. List in the 1820s, the formation of the *Zollverein* did not take place until the 1830s and Prince Bismark did not break with free trade until 1879. Clearly, then, it may be argued that the 'National System' advocated by List in 1841 could not come into existence until 1871 with the political unification of Germany. But the unification of Germany and the subsequent protection of the national economy were contingent on the triumph of a national bourgeoisie over the provincial lords. A combination of German nationalism against British and French domination and the desire to create a strong national economy led to Germany's delinking from the European trading system in 1879. The rest is history. By 1885, Germany had become a contender to be reckoned with in the inter-imperialist rivalry between the European powers. It made its debut in 1884 by summoning the Berlin Conference at which Africa was partitioned. After its unification and the development of a national economy, Germany became an imperialist power. It would be stressed that, contrary to functional integration thinking, the formation of a customs union or national system of railways were a *primus mobile* for German unification. Behind the formation of the *Zollverein* and the construction of a national system of railways were continuing struggles between the rising industrial bourgeoisie and the feudal lords. The triumph of Bismark over the provincial lords and the unification of Germany was the turning point.

The Cuban model (revolutionary delinking with socialist co-operation) also presupposes distinct political conditions. If the rise of the German state may be considered the last of the bourgeois revolutions in Europe, so is the Bolshevik revolution the first socialist revolution. As we saw before, the Soviet Union was also the first country to institute a policy of autocentric development, deliberately opting out of the capitalist world economy.

The Cuban revolution 1959 had been preceded not only by the experience of the Soviet Union's own efforts to *delink with a socialist revolution*, the expansion of the socialist world has made it possible for the new socialist countries to *delink with socialist co-operation*. It should be pointed out, however, that there is no consensus on this issue. The objections raised by Albania, North Korea and China against 'Soviet social imperialism' are worth noting. On the other hand, Cuba's relationship with the COMECON countries had contributed to the high rate of economic growth and the social transformation although, for the time being, it had intensified Cuba's monocultural dependence on cane sugar exports. At the moment we are encouraged to think Cuba's autonomy allows it to carry out its internationalist revolutionary tasks in Angola and Ethiopian. It is not clear whether Mozambique and Angola would like to forge similar relations with COMECON.<sup>40</sup> Whatever views one may

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hold on the matter, the fact is that the small, emergent revolutionary socialist country which seeks to delink from the capitalist world system now had the opportunity of forging new politico-economic relations with the socialist world while restructuring its domestic economy.

The Chinese/North Korean model (revolutionary delinking with indigenization) is the most difficult to assess because of the number of variants. Essentially, the model emphasizes self determination, cultural autonomy and anti-imperialism. It rejects the possibility of gains from unequal trade and seeks to build economies with domestic resources and skills. The revolutionary variant (North Korea) seeks to build upon traditional practices as well as adopt modern practices to local needs and resources. The conservative variant of indigenization, however, may simply seek to restore and preserve tradition without a clear strategy for socio-economic transformation. Burma of the 1950s and 1960s is a case in point. However, other versions of self-reliance without a revolutionary strategy also belong to the conservative variant. Tanzania's *Ujamaa* is a clear case.

Yet, although the model may be retrogressive in the hands of a narrowminded and self-serving petty bourgeoisie, as in the Tanzanian case, it has some notable progressive elements in the hands of a revolutionary party. In the African context there is a clear case for restoring and building upon our indigenous scientific and technological practice just like China and North Korea have done, to some extent. But in order for this to lead to fundamental social transformation it is necessary to have a revolutionary situation.

### Conclusions

To summarize, let us review the principal elements of each model. The first model is a prescription for late capitalist development. It presupposes the existence of a national bourgeoisie, albeit weak, whose development into a transforming class can only be assured by strong state protection from external trade competition. There must be an entrepreneurial class and a strong state to protect it. In the German case, this entailed the overthrow of feudal classes and the institution of bourgeois rule. The second model requires the establishment of a revolutionary socialist state which is committed to severing links with the capitalist world economy and forging new links with the socialist countries. It requires a high level of popular mobilization to ensure a reasonably smooth absorption of the pain of transformation. The third model suggests a complete turn around from the capitalist world economy, a re-orientation of economic and political goals, the restoration and innovation of indigenous science and technology, a redefinition of skill training, education, etc. This autocentric model is the most challenging by far and also the most promising. The pure model suggests complete autarchy. A fundamental component of any version, however, is that no trade is necessary and therefore no foreign exchange is required. Economic activities would be defined strictly within the limits of domestic needs and resources. Thomas,<sup>41</sup> in his iron laws of equating demand with needs, converting needs into effective demand and equating supply with domestic resources is speaking of this strategy. So is Samir Amin in his critique of a NIEO which does not seek to create internally integrated and self sustaining economies in the Third World.<sup>42</sup> It should be noted that across all the models there are elements which over-

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lap and, therefore, the models are not mutually exclusive, particularly in practice.

In conclusion, let us be forthright. The argument for delinking centres around economic strategies and, indeed, is the affirmation of the necessity of strong national economies. The process of delinking, however, must be conceived, in the first instance, as a political problem. The historical models summarized above can only serve as a guide for Africa in the choice of our own path. Particular attention in the African context will have to be paid to the question of unification, bearing in mind that African countries of today (in their size and history) are different from the German principalities of the 19th century. Yet, we should be reminded that unification and delinking are part and parcel of the same historical process of reconstructing our continent.<sup>43</sup>

It is not our intention in this paper to prescribe a particular model. However, since the emergence of an autonomous national bourgeoisie in Africa is foreclosed by the very process of subordination to the capitalist world system the German model is virtually ruled out. The second and third models therefore, are the historical candidates. If revolutionary parties come into power in individual African countries without an immediate prospect for continent-wide revolutions, the tendency will be most probably, to lean towards the Cuban model although good prospects for the Korean model are not negligible, at least for some countries. If, on the other hand, a unified Africa emerges from concurrent revolutionary struggles, then the Chinese/Korean Model is not only desirable but also feasible. But at this stage this is pure conjecture for, to paraphrase Hegel, the owl of Minerva takes flight at dusk. All we know is that Africa is poised on the brink of tumultuous social change. All we can do is intensify our own understanding of this social process so that it can be transformed into a progressive and creative social force in the complete liberation of the continent from centuries of oppression and exploitation.

**AGRICULTURAL PRODUCTION (Total)**  
(FAO Index Number 1974 - 1976 = 100)

TABLE I

**FOOD PRODUCTION**

	1971	1976	1982
World	91.29	102.36	116.79
Africa	93.31	102.19	114.47
Ivory Coast	86.22	101.89	147.80
Tanzania	92.67	108.11	116.72

Significant declines (1982): Botswana-86.81; Gambia-89.82; Zambia-88.71; Lesotho-91.06

**CROPS**

	1971	1976	1982
World	93.45	102.64	117.53
Africa	93.59	102.23	109.61
Ivory Coast	86.02	105.30	137.52
Tanzania	96.88	107.11	104.68

Significant declines (1982): Zambia-79.10; Senegal-79.72; Lesotho-77.28; Angola-77.97

**LIVESTOCK**

	1971	1976	1982
World	90.55	101.22	115.38
Africa	93.33	103.78	128.90
Ivory Coast	85.58	106.08	171.45
Tanzania	95.24	106.20	132.87

Significant declines (1982): Only Zimbabwe at 83.98 fell below 100

**CEREALS**

	1971	1976	1982
World	92.96	104.78	118.12
Africa	93.35	102.44	107.20
Ivory Coast	88.00	101.37	112.74
Tanzania	98.05	105.60	101.26

Significant declines (1982): Botswana-23.29; Guinea Bissau-57.99; Angola-61.53; Lesotho-65.84; Zambia-62.49; Swaziland-70.55

**AGRICULTURE (overall)**

	1971	1976	1982
World	91.63	102.02	116.19
Africa	94.02	101.70	113.57
Ivory Coast	86.63	105.28	139.40
Tanzania	96.98	107.09	109.00

Significant declines (1982): Angola-83.41; Botswana-86.34; Senegal-86.34; Zambia-88.78; Gambia-90.09; Guinea Bissau-92.31



**AGRICULTURAL PRODUCTION (per capital)**  
(FAO Index Number 1974 - 1976 = 100)

TABLE II

**FOOD**

	1971	1976	1982
World	98.54	100.52	103.50
Africa	104.16	99.36	93.32
Ivory Coast	103.85	97.81	116.33
Tanzania	104.36	105.04	94.13

Significant declines (1982): Zambia-70.95; Zimbabwe-74.79; Somalia-70.41; Senegal-72.44; Mozambique-79.55; Gambia-74.12; Ghana-76.81; Lesotho-76.85.

**CROPS**

	1971	1976	1982
World	100.87	100.79	104.14
Africa	104.46	98.41	89.35
Ivory Coast	103.72	101.18	108.35
Tanzania	109.05	104.04	84.38

Significant declines (1982): Zambia-63.26; Botswana-55.95; Angola-65.33; Lesotho-65.19; Senegal-66.46

**LIVESTOCK**

	1971	1976	1982
World	97.72	99.38	102.24
Africa	104.20	100.93	105.09
Ivory Coast	103.12	101.95	135.09
Tanzania	107.14	103.13	107.05

Significant declines (1982): Zimbabwe-66.22; Rwanda-88.43; Somalia-69.90; Botswana-88.46; Zaire-85.75.

**CEREALS**

	1971	1976	1982
World	100.35	102.92	104.69
Africa	104.19	99.57	87.37
Ivory Coast	106.08	97.39	88.83
Tanzania	110.38	102.54	81.68

Significant declines (1982): Zambia-49.98; Botswana-19.00; Angola-51.67; Lesotho-55.35; Guinea Bissau-51.61; Mozambique-58.89

**AGRICULTURE (overall)**

	1971	1976	1982
World	98.90	100.18	102.96
Africa	104.94	98.87	92.58
Ivory Coast	104.45	101.16	109.82
Tanzania	109.18	104.03	87.88

Significant declines (1982): Zambia-71.00; Zimbabwe-76.41; Senegal-71.99; Libya-74.11; Gambia-74.35 Mozambique-78.93

**FOOTNOTES**

1. For reviews and critiques of literature see: A. Brewer, *Marxist Theories of Imperialism*, London, Hutchinson, 1968; I. Oxaal et al. (Eds.), *Beyond the Sociology of Development*, London, Routledge, 1975; R.H. Chilcote, *Dependency and Marxism*, Boulder, Colorado, Westview, 1982; T. Hopkins and I. Wallerstein, *Process of the World System*, Beverley Hills, Sage, 1980.
2. Two opposing views which acknowledge the decline but differ in their explanation of it are: World Bank, *Accelerated Development in Sub-Saharan Africa*, Washington, IBRD, 1981, and OAU, *The Logos Plan of Action for Economic Development of Africa. 1980 - 2000*, Geneva, Intern. Inst. Lab. Studies, 1981.
3. FAO, *Production Yearbook*, Vol.36, 1983.
4. World Bank, op.cit., records: "...for Africa as a whole in the 1970s, growth of food production was not only well below the increase in total population, but also that of rural growth".
5. FAO, op.cit.
6. World Bank, op.cit.
7. Idem. The report states specifically: "Trade and exchange rate policy is at the heart of the failure to provide adequate incentives for agricultural production and for exports in much of Africa."
8. B. Johnston and W. Clark, *Re-designing rural development*, Baltimore, Johns Hopkins, 1981.
9. G. Hyden, *No Shortcut to Progress*, Berkeley, Univ. of Calif. Press, 1981.
10. OAU, op.cit.
11. D. Abernathy, *Bureaucratic Growth and Economic Decline in Sub-Saharan Africa*, African Studies Association Conference, 1983.
12. A. Macbean, *Export Instability and Economic Development*, London, Allen and Unwin, 1966, rejected the existence of a correlation between price instability and economic development. E. Lancieri, "Export Instability and Economic Development", *Banca Nazionale Quarterly Review*, 1979, affirmed it. However, both studies operate at the macro-economic level and do not address the 'within industry' effects.
13. H. Kjekshus, *Ecology Control and Economic Development*, London, Heineman, 1977.
14. J.E. Inikori, "The Slave Trade and the Atlantic Economies", in UNESCO, *The African Slave Trade from 15th to 19th Century*, Paris, 1979.
15. F.G. Kay, *The Shameful Trade*, London, Muller, 1967.
16. W. Rodney, *How Europe Underdeveloped Africa*, London, Bogle l'Ouverture, 1972.
17. F. Fanon, *The Wretched of the Earth*, New York, Grove Press, 1968.
18. M. Perham is credited with the observation that Africa had no history before the coming of the Europeans. See M.W. Crowder, *West Africa Under Colonial Rule*, London, Hutchinson, 1968.
19. See W.R. Aykroyd, *Sweet Malefactor*, London, Heineman, 1967, p.86: "The remarkable history of Africa during the last one hundred years, the 'scramble for Africa', the short-lived colonial empires, and finally the appearance of numerous independent African states in the last ten years, has been profoundly influenced by the preceding centuries of slavery."
20. A typical illustration of this myopia may be found in World Bank, op.cit. Here it is observed that "Even if export crop output were to grow at the expense of food crop production, it is not necessarily bad."
21. It is in this sense that Backford refers to such colonial or plantation economies as 'tributaries'. This is because, although many of these countries have been participating in modern world commerce for over 400 years, they are still not part of the main stream. See

- G.L. Backford, *Persistent Poverty*, 2nd ed., Morant Bay, Morron Publishing, 1983.
22. In spite of all this evidence, the World Bank recommends an indiscriminate increase in export crop production, because "Most African countries have distinct comparative advantage in export crop production. An export sacrificing policy of self-reliance therefore would have costs in terms of income". This argument can not stand up to scrutiny against the evidence from the commodity markets. It is made for the express purposes of servicing external debt at any cost. Hence, the report continues, "...diverting resources from exports to food production may lead to balance of payments problems". See World Bank, op.cit.
  23. For an up to date and concise review of the literature and ideas, see L.A. Hoskins, *The New International Economic Order*, Washington, Haward, 1982.
  24. A.O. Hirsehman, *National Power and the Structure of Foreign Trade*, Berkeley, Univ. of Calif. Press, 1982.
  25. A.O. Krueger, *The Developmental Role of the Foreign Sector and Aid*, Cambridge, Harvard, 1979. See also J.N. Bhagwati and A.O. Krueger, "Exchange Control, Liberalisation and Economic Development", in *Amer. Econ. Review Papers and Proceedings*. May, 1973.
  26. B. Balassa, *The Newly Industrialising Countries in the World Economy*, New York, Pergamon, 1981.
  27. H. Johnson, *Money, Trade and Economic Growth*, London, Allen and Uwin, 1962.
  28. G. Haberler, *International Trade and Economic Development*, Cairo, National Bank of Egypt, 1959.
  29. F. List, *The National System of Political Economy*, London, Longmans, 1885.
  30. S. Amin, "Self-reliance and the International Economic Order", *Monthly Review*, July/August, 1976.
  31. D. Ricardo, *Principles of Political economy*, London, Murray, 1821.
  32. T. Mun, *England's Treasure by Foreign Trade*, New York and London, Macmillan, 1895 (1664).
  33. See C.W. Cole, *Colbert and a Century of French Mercantilism*, New York, Columbia 1895.
  34. Quoted in R. Browne and R. Commings, *The Logos Plan of Action Vs the Berg Report*, Washington, Howard, 1984, pp.191-196.
  35. The question of resource endowment and size of population (home market) is usually raised as soon as strategies of delinking are suggested. Apart from the historical experiences of North Korea and Cuba, there is no universally accepted critical mass of viable economy. Compare the US and Switzerland. For discussion of this and related questions, see S. Kuznets, "Economic Growth of Small Nationals", in E.A.G. Robinson (Ed.), *Economic Consequences of the Size of Nations*, London, Macmillan, 1960.
  36. For a presentation of some historical cases and models, see M. Bienefeld and M. Godfrey (Eds.), *The Struggle for Development*, New York, Wiley, 1982. Also Diaz-Alejandro in A. Fishlow et al. (Eds.), *Rich and Poor Nations in the World Economy*, New York, McGraw-Hill, 1978.
  37. F. List, op.cit.
  38. Quoted in Bienefeld and Godfrey, op.cit.
  39. G. White, "North Korean Juche", in Bienefeld and Godfrey, op.cit.
  40. H. Kohler, *Economic Integration in the Soviet Block*, New York, Praeger, 1965, presents a discussion of the evolution of the theory and practice of international socialist economic intergration.
  41. C. Thomas, *Dependence and Transformation*, New York, Monthly Review, 1974.
  42. S. Amin, op.cit.
  43. The numerous works of Nkrumah treat the question of African unity in considerable

detail, particularly in the following works: K. Nkrumah, *Neo-colonialism*. New York, Intern. Publishers, 1966, and N. Krumah, *Africa Must Unite*, New York, Intern. Publishers. 1970.