African development /governance, South African subimperialism and Nepad

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Introduction

The durable strength of political economic analysis, upon which this paper is based, can be identified in sites like the Council for the Development of Social Science Research in Africa (CODESRIA). Indeed, most initial reactions to the New Partnership for Africa's Development (Nepad) by African scholars and activists were generally very critical, given their values of social justice, anti-racism, democracy, internationalism, African self-reliance, gender equity, ecological sustainability and the like. They identified little or no basis for optimism in the original October 2001 Nepad document. As an April 2002 conference statement from CODESRIA and Third World Network explained,

> The most fundamental flaws of Nepad, which reproduce the central elements of the World Bank's *Can Africa Claim the 21st Century?* and the ECA's *Compact for African Recovery*, include:
> (a) the neo-liberal economic policy framework at the heart of the plan, which repeats the structural adjustment policy packages of the preceding two decades and overlooks the disastrous effects of those policies;

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1 The bulk of this paper draws upon arguments presented at greater length in the following publications: *Fanon's Warning: A Civil Society Reader on the New Partnership for Africas Development* (second edition), Trenton, Africa World Press, 2005; *Talk Left, Walk Right: South Africa's Frustrated Global Reforms,* Pietermaritzburg, University of KwaZulu-Natal Press, 2004; 'US Empire and South African Subimperialism', in L.Panitch and C.Leys (Eds), *Socialist Register 2005: The Empire Re-loaded*, London, Merlin Press and New York, Monthly Review Press, 2004; 'South Africa tackles Global Apartheid: Is the Reform Strategy Working?', *South Atlantic Quarterly*, 103, 4, 2004; 'From Racial to Class Apartheid: South Africa's Frustrating Decade of Freedom', *Monthly Review*, 55, 10, 2004; 'Bankrupt Africa: Imperialism, Subimperialism and Financial Politics', *Historical Materialism,* 2004; 'The ANC's "Left Turn" and South African Subimperialism: Ideology, Geopolitics and Capital Accumulation', *Review of African Political Economy*, 31, 2004; and 'Talk Left, Walk Right: How Genuine is South Africa's Resurgent PanAfricanism?', *Global Dialogue*, 6, 4, 2004.

(b) the fact that in spite of its proclaimed recognition of the central role of the African people to the plan, the African people have not played any part in the conception, design and formulation of Nepad;
(c) notwithstanding its stated concerns for social and gender equity, it adopts the social and economic measures that have contributed to the marginalisation of women;
(d) that in spite of claims of African origins, its main targets are foreign donors, particularly in the G8;
(e) its vision of democracy is defined by the needs of creating a functional market;
(f) it under-emphasises the external conditions fundamental to Africa's developmental crisis, and thereby does not promote any meaningful measure to manage and restrict the effects of this environment on Africa development efforts. On the contrary, the engagement that it seeks with institutions and processes like the World Bank, the IMF, the WTO, the United States Africa Growth and Opportunity Act, the Cotonou Agreement, will further lock Africa's economies disadvantageously into this environment;
(g) the means for mobilisation of resources will further the disintegration of African economies that we have witnessed at the hands of structural adjustment and WTO rules.[2]

Now, three years after the programme was launched in Abuja by Thabo Mbeki, Olusegun Obasanjo and Abdeleziz Bouteflika, it is fair to ponder whether Nepad is worth taking seriously in any respect. The programme was, after all, soon termed 'philosophically spot-on' by the Bush regime's lead Africa official, Walter Kansteiner,[3] and endorsed by the World Bank and IMF, while on the other hand, more than 20,000 protesters demonstrated against Nepad on 31 August 2002 at the World Summit for Sustainable Development in Johannesburg.

To contribute to the debate over Africa's future, and to the tradition of critical political economy which IDEAS, the EEA and Codesria have advanced, I will use this opportunity to contemplate two crucial, interrelated problems especially evident these past three years: worsening development prospects and geopolitical entanglements, especially in relation to imperialism; and Nepad's record to date on governance and African democratisation. Addressing the first, we must continue to query whether Nepad is merely a subimperialist gambit by Pretoria, to lubricate neoliberalism and western political interests, for the sake, largely, of South African capital's improved standing in the system, and perhaps also Pretoria politicians' own power and prestige. The evidence is not fully conclusive yet, it must be conceded, because large-scale capital – whether from Johannesburg or from London, New York, Paris, Tokyo, Frankfurt or even Houston – is not apparently interested in the specific projects Nepad has on offer, even if business elites welcome the overall mood-change associated with the programme.

Likewise there is confusion on governance, given prevailing power relations. Consider how Nepad's credibility was thrown into question by Pretoria's then trade minister Alec Erwin, just as Robert Mugabe was stealing a presidential election in Zimbabwe in early 2002: 'The West should not hold the Nepad hostage because of mistakes in Zimbabwe. If Nepad is not owned

2 Bond, *Fanon's Warning,* p.37.
3 Gopinath, D. (2003), 'Doubt of Africa,' *Institutional Investor Magazine*, May.

and implemented by Africa it will fail, we cannot be held hostage to the political whims of the G8 or any other groups.'[4] Ownership and implementation looked like low priorities to many Africans. When just seven African presidents showed up at the 2003 Heads of State Implementation Committee meeting, Thabo Mbeki complained to a World Economic Forum regional summit: 'We must insist that our fellow heads of state attend the meetings.'[5] (Not only would they not attend meetings, fewer than half Africa's governments agreed to sign up for the Nepad Peer Review Mechanism – itself a dubious exercise with no teeth - a year after it was launched, a fact that Pretoria's finance minister, Trevor Manuel, termed 'shameful'.)[6]

At the next gathering, in Maputo, in July 2003, the pro-Mbeki *Sunday Times* headlined, 'The George Dubya of Africa: Even as he relinquishes the reins of the African Union, Thabo Mbeki is regarded with suspicion by other African leaders.' According to the article, Mbeki is 'viewed by other African leaders as too powerful, and they privately accuse him of wanting to impose his will on others … In the corridors they call him the George Bush of Africa, leading the most powerful nation in the neighbourhood and using his financial and military muscle to further his own agenda.'[7]

That muscle was especially in the realm of international and regional commerce, where Pretoria's free-trade strategy radically diverged from most African countries. Ideological backing for corporate-oriented subimperialism can usually be found within the South African Institute for International Affairs (SAIIA) at Johannesburg's University of the Witwatersrand. Yet because SAIIA heartily supports Nepad, its writers have the space to speak a certain kind of truth to corporate power. In 2001, a SAIIA researcher warned that Erwin's trade strategy 'might signify to the Africa group of countries that South Africa, a prominent leader of the continent, does not have their best interests at heart.'[8] In 2003, a colleague issued a technical report on trade which conceded that African governments viewed Erwin 'with some degree of suspicion' because of his promotion of the WTO. Indeed, at Seattle and Cancun Erwin stood in direct opposition to the bulk of the lowest-income countries, whose beleaguered trade ministers were responsible for derailing both summits.[9]

In these two regards, perhaps Nepad 'isn't working', because it can't work, because indeed the contradictions have already become overwhelming. Generally, mainstream opinion judges Nepad as a valid programme, consistent with what Chris Alden and Garth le Pere term Pretoria's 'loftier aims to play a key role in reshaping current international norms, institutions and process to further global justice for Africa and the South.'[10] The reality, however, is far less wholesome. To undergird this argument, we begin with economic and geopolitical dimensions of South African subimperialism, and then consider broader difficulties faced by Nepad's sponsors in terms of domestic politics and 'governance'.

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4 Cited in Taylor, I. (2002), 'Obstacles to change in Africa: Nepad, Zimbabwe, and Elites,' Foreign Policy in Focus Commentary, http://www.fpif.org/outside/ commentary/2002/0204Nepad.html.

5 SA Institute of International Affairs (2003), 'Nepad and WEF,' *eAfrica*, July, p.11.

6 *Business Day*, 16 September 2004.

7 *Sunday Times,* 13 July 2003.

8 *Mail & Guardian*, 16 November 2001.

9 *Business Day*, 2 June 2003.

10 Alden, C. and G. le Pere (2004), 'South Africa's Post-apartheid Foreign Policy: From Reconciliation to Ambiguity?,' *Review of African Political Economy*, 100, pp.104,106. In the same spirit, see Sidiropoulos, E. (Ed)(2004), *Apartheid Past, Renaissance Future: South Africa's Foreign Policy 1994-2004*, Johannesburg South African Institute of International Affairs. For more skeptical views, see Nel, P. and J. van der Westhuizen (Eds)(2004), *Democratizing Foreign Policy? Lessons from South Africa*, Lanham, Lexington Books.

Nepad as subimperial threat

Leadership roles in Africa, the Third World and the entire international community were Pretoria's for the taking in the early 2000s. It was, hence a surprise, but not an aberration, when former president Nelson Mandela remarked in January 2003, just prior to the US/UK invasion of Iraq, 'If there is a country which has committed unspeakable atrocities, it is the United States of America.'[11] Nor was it a surprise, or aberration, for him to conclusively retract that comment in May 2004: 'The United States is the most powerful state in the world, and it is not good to remain in tension with the most powerful state.'[12] As SAIIA's Greg Mills explained, 'I think there was a bluster by the South African government, or those associated near or around it, prior to the American invasion of Iraq in March last year, but that was toned down fairly quickly by the South African government and most notably, president Mbeki.'[13]

In an environment we can label 'talk left, walk right,' sorting out the dynamics of US-SA ties is not easy. As one University of Fort Hare academic alleged (in an attack on your author), 'I can't think of an instance when South Africa has supported the US unless the international community was already on board the issue. On Zimbabwe, the Democratic Republic of Congo, Sudan, Iraq, Haiti and Equatorial Guinea, South Africa has flat-out opposed US policies.'[14] But there is convincing, contrary evidence from those particular sites, and from international politics more generally.

On Zimbabwe, Mbeki was anointed 'point man' (*sic*) by Bush during his July 2002 visit, resulting in absolutely no further visible pressure from Washington on Mugabe. At the 2004 G8 Summit in Sea Island, Zimbabwe's semi-dictatorship was not even raised during the imperialist leaders' talks with Mbeki and other Africans. Aside from the occasional silly embarrassment, such as British foreign minister Jack Straw's September 2004 handshake with Mugabe (the former did not recognise the latter until he was pulled into a darkened corner of the United Nations, he claimed) and the trivial exclusion of Zimbabwe from the Commonwealth's Abuja summit in 2003, the imperial powers fear the race-related backlash associated with pressure on Zimbabwe, and appear willing to let Mbeki dominate Southern African regional politics because so little real wealth and power are at stake.[15]

In the DRC, Africa's greatest mineral riches alter the equation. Pretoria and Washington back different corporations engaged in extraction and exploitation, to be sure, but are agreed on the general framework for regional geopolitics, and for enslaving Kinshasa via the multilateral agencies and the DRC's repayment of Mobuto-era 'odious debt.' In the latter case, it was Mbeki's Cabinet in mid-2002 that arranged an emergency 75 million Special Drawings Rights loan (then translated to R760 million), so as to clear some IMF arrears and permit a new round of World Bank and IMF missions, backed by the US Treasury. This overlap of interests extends into the chaotic peace/war process, where Mbeki's mediation strategy gave relatively free reign to the pro-US factions, especially Kagame in Rwanda and Museveni in Uganda. Recall that Zimbabwe, Namibia and Angola in 1998 committed military resources to tackle the US-backed Rwandan and

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11 CBS News (2003), 'Mandela Slams Bush On Iraq', 30 January.

12 CNN.com (2004), 'Mandela Extends Conciliatory Hand to United States,' 24 May.

13 Williams, L. (2004), 'SA to Export Arms?', *Business Day*, 21 July.

14 Blatchford, M. (2004), 'Walking Left, Writing Drivel', *Mail & Guardian,* 17 September.

15 For details, see Bond, P. and M.Manyanya (2003), *Zimbabwe's Plunge: Exhausted Nationalism, Neoliberalism and the Search for Social Justice,* London, Merlin Press and Pietermaritzburg, University of KwaZulu-Natal Press; and Bond, *Talk Left, Walk Right*, Chapter Five.

Ugandan invasions of the DRC, simultaneously advancing their own militarised accumulation agendas, while South Africa refused to countenance a SADC-wide intervention to stabilise the faltering regime of Kabila, Sr. Finally, like Washington, Pretoria has refused to address its responsibility for the egregious behaviour of its multinational corporation. Both countries' illegal corporate extractions of DRC wealth during the late 1990s were noted by the UN Security Council in a damning 2002 report, but the corporations involved were rewarded with a blind eye in both capitals.[16]

In the Sudan, neither did much to pressure Khartoum to halt the Darfour genocide, aside from *jawboning* about sanctions and offering very small-scale peacekeeping troop deployments.

In Iraq, Pretoria certainly talked left about the war, but when it came to two crucial tests – the $250 million in Denel (parastatal) arms sales to the belligerents in Washington/London, and recognising the Iraqi government imposed by Bush in mid-2004 – the reality was tacit acceptance of the illegal war and occupation.

In Haiti, again, Mbeki certainly talked left, admirably so in early 2004 when he used the country's bicentenary to remind a very few listeners of the importance of that period's only successful slave rebellion, and likewise of the durable racial hierarchy in global political economy. Yet much more could have been done to confront the Washington/Paris state militarists for their eviction of Jean-Bertrand Aristide less than two months later, including active solidarity – via concrete punitive actions taken in the African Union, the Non-Aligned Movement and other bodies - with the Caribbean island states which protested the coup d'etat. Washington ultimately had its way in Haiti. The regular reminder of that fact, through Aristide's exile in Pretoria and his regular appearances at public events, is consistent with Bush's agenda of signaling 'rogue regimes' – like nearby Venezuela's and Cuba's – that US-supported anti-government forces and the deployment of marines together pose an ongoing threat. Is Washington irritated by Aristide's exile in South Africa? There is no indication, and indeed the public reminder indeed evokes regular concern across the Third World, including in ruling South African circles. To illustrate, in a public debate at Wits University in August 2004, former Limpopo Province premier Ngoako Ramathlodi announced that 'South Africa cannot contest our foreign apartheid debt. Look what happened to Aristide when he asked France for reparations!'[17]

In Equatorial Guinea, there appears no mid- or long-term conflict with the US over that country's classical banana republic function, other than the predictable contestation over whether US or South African firms are the primary vehicles for oil extraction and distribution. But Pretoria seems to accommodate the overall context of corruption and violence practiced through venal dictatorial rule in US-backed petrol baronies (stretching from Latin America through West Africa through the Middle East out to Central Asia), with revenues flowing from multinational corporations to the elites' offshore accounts. The merits of the model to Pretoria were evident not only in the mid-2004 red-carpet visit by Equatorial Guinea's leader Teodoro Obiang Nguema M'Basogo and cooperation in his prosecution of early-2004 coup plotters (possibly including Margaret Thatcher's son Mark). Mbeki also announced Pretoria's hope for a special binational commission – an unusual sign of cooperation - and a new South African diplomatic mission in the capital Malabo.

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16 For details, see Bond and Manyanya, *Zimbabwe's Plunge,* Afterword and Bond, P. (2002), *Unsustainable South Africa: Environment, Development and Social Protest,* London, Merlin Press and Pietermaritzburg, University of KwaZulu-Natal Press, Introduction.

17 Plenary session at the University of the Witwatersrand Centre for Urban and Built Environment Studies Matthew Goniwe Lecture Series, Johannesburg, 4 August 2004.

In addition to growing ties with West Africa's most notorious dictatorship, the rerouting of oil revenues out of Africa, to the Cayman Islands in particular, was apparently endorsed by Mbeki in 1999, according to a *Mail & Guardian* investigation. Beneficiaries from the Cayman-registered 'South African Oil Company', 75% owned by a Nigerian-American, included the wives of Provincial and Local Government Minister Sydney Mufamadi and of Ramathlodi, ANC senior official Zwelibanzi Nzama and the brother-in-law of the then-Eastern Cape premier Makhenkesi Stofile. Mbeki had helped set the deal up in 1999 and was unapologetic, even though the newspaper described it as a fraud against citizens of both Nigeria and South Africa.[18] Such a model is similar to those established by the US to channel both petrol and petrodollars in a manner hostile to the interests of local residents, dating back many decades.

In all these respects, US-SA relations can be compared to occasionally hostile brothers scrapping over their patches of Africa, but nevertheless siblings in a family enterprise not dissimilar to mafia control of a neighbourhood or city. Decades-long supplies of oil and minerals are the prizes, and though Washington and Pretoria contest certain particular sites, they seem together convinced that multinational corporate interests should lead the process of 'development', that African debt peonage should continue, that national governments' financial and trade restrictions should be dropped (hence making African countries ever more vulnerable to markets in the imperial and subimperial centres), and that geopolitical maneuvres should be conducted – with military backup in the nearly inevitable event of failure – in a manner consistent with South Africa's own elite political-economic transition.

It is, of course, worthwhile to flag the broader petro-military trajectory Washington is pursuing. An expert at the US Naval War College recently drew up 'The Pentagon's New Map,' highlighting countries now considered danger zones for imperialism. In Africa, these included Angola, Burundi, the Democratic Republic of the Congo (DRC), Rwanda, Somalia and even South Africa, sites which could not only 'incubate the next generation of global terrorists', but also host interminable poverty, disease and routine mass murder.[19] Benign – or malign – neglect would no longer be sufficient. The period during the 1990s after the failed Somali intervention, when Washington's armchair warriors let Africa slide out of view, may have come to an end with September 11. Army General Charles Wald, who controls the Africa Programme of the European Command, told the BBC in early 2004 that he aims to have five brigades with 15,000 men working in cooperation with regional partners including South Africa, Kenya, Nigeria and two others still to be chosen.[20] NATO's Supreme Allied Commander for Europe, General James Jones, confirmed the US geographical strategy in May 2003: 'The carrier battle groups of the future and the expeditionary strike groups of the future may not spend six months in the Mediterranean Sea but I'll bet they'll spend half the time down the West Coast of Africa.'[21] Within weeks, 3000 US troops had been deployed off the coast of Liberia (and went briefly ashore to stabilize the country after Charles Taylor departed). Potential US bases were suggested for Ghana, Senegal and Mali, as well as the North African countries of Algeria, Morocco and Tunisia.[22] Another base was occupied by

18 *Mail & Guardian*, 30 May 2003 and 6 June 2003

19 Barnett, T. (2003), 'The Pentagon's New Map', United States Naval War College, http://www.nwc.navy.mil/newrules/ThePentagonsNewMap.htm.

20 Plaut, M. (2004), 'US to Increase African Military Presence,' http://www.bbc.co.uk, 23 March.

21 http://www.allAfrica.com, 2 May 2003.

22 *Ghana News*, 11 June 2003.

1,500 US troops in the small Horn country of Djibouti. Botswana and Mozambique were also part of the Pentagon's strategy, and South Africa would remain a crucial partner.

Central and eastern Africa remains a problem area, and not merely because of traditional French and Belgian neocolonial competition with British and US interests.[23] President Bill Clinton's refusal to cite Rwanda's situation as formal genocide in 1994 was an infamous failure of nerve in terms of the emerging doctrine of 'humanitarian' imperialism – in contrast to intervention in the (white-populated) Balkans. With an estimated three million dead in Central African wars, partly due to struggles over access to coltan and other mineral riches, conflicts worsened between and within the Uganda/Rwanda bloc, vis-à-vis the revised alliance of Laurent Kabila's DRC, Zimbabwe, Angola and Namibia. Only with Kabila's assassination in 2001 and Pretoria's management of peace deals in the DRC and Burundi, did matters settle, however briefly, into a fragile peace combining neoliberalism with opportunities for minerals extraction. However, as turmoil resumed in mid-2004, it was clear that coups and outbreaks of strife would be a constant threat, demonstrating how precarious Pretoria's elite deals are when deeper tensions remain unresolved. Another particularly difficult site is Sudan, where US Delta Force troops have been sighted in informal operations, perhaps because although China showed some interest in oil exploration there during the country's civil war chaos, US oil firms have subsequently arrived. On the west coast, the major petro prize remains the Gulf of Guinea. With oil shipment from Africa to Louisiana refineries taking many fewer weeks than from the Persian Gulf, the world's shortage of supertankers is eased by direct sourcing from West Africa's offshore oil fields.

In this context, it is not surprising that of $700 million destined to develop a 75,000-strong UN peace-keeping force in coming years, $480 million is dedicated to African soldiers.[24] But Africa is also a site for the recruitment of private mercenaries, as an estimated 1,500 South Africans – including half of Mbeki's own 100-strong personal security force – joined firms such as South Africa's Executive Outcomes and British-based Erinys to provide more than 10% of the bodyguard services in occupied Iraq.[25] Some African countries, including Eritrea, Ethiopia and Rwanda, joined the 'Coalition of the Willing' against Iraq in 2003, although temporary UN Security Council members Cameroon, Guinea and the Republic of the Congo opposed the war, in spite of Washington's bullying. The Central African Republic proved reliable during the reconciliation of Jacques Chirac and the Bush regime in March 2004, when Aristide was kidnapped and temporarily dumped there. Africa is also an important site for Washington's campaigns against militant Islamic networks, especially in Algeria and Nigeria in the northwest, Tanzania and Kenya in the east, and South Africa. Control of African immigration to the US and Europe is crucial, in part through the expansion of US-style incarceration via private sector firms like Wackenhut, which has invested in South African privatized prison management, along with the notorious Lindela extradition camp for 'illegal immigrants,' part of a highly racialised global detention and identification system.

Within this broadly accepted context, in which Pretoria is increasingly seen as a reliable deputy sheriff, there is naturally room for disagreement on details. For example, in mid-2004, the US

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23 Taylor, I. (2003), 'Conflict in Central Africa: Clandestine Networks and Regional/Global Configurations,' *Review of African Political Economy*, 95, p.49.

24 The major dilemma, here, appears to be the very high level of HIV-positive members of the armed forces in key countries. See Elbe, S. (2003), *Strategic Implications of HIV/AIDS,* Adelphi Paper 357, International Institute for Strategic Studies, Oxford: Oxford University Press, pp.23-44.

25 *Vancouver Sun,* 11 May 2004.

House of Representatives extended a year-old ban on military assistance to 32 countries - including South Africa (allegedly costing Pretoria roughly $7.6 million in 2003) - which agreed to cooperate in future with the International Criminal Court against alleged US war criminals. Nevertheless, Washington's ambassador to Pretoria, Cameron Hume, quickly announced that several bilateral military deals would go ahead in any case. According to Peter McIntosh of *African Armed Forces* journal, the US 'had simply re-routed military funding for South Africa through its European Command in Stuttgart.' Hume reported the Pentagon's desire 'to train and equip two additional battalions to expand the number of forces the [SA National Defense Force] have available for peacekeeping in Africa.' South African newspaper *ThisDay* commented, in the wake of two successful joint US/SA military maneuvres in 2003-04: 'Operations such as Medflag and Flintlock clearly have applications other than humanitarian aid, and as the US interventions in Somalia and Liberia have shown, humanitarian aid often requires forceful protection.'[26]

The two countries' military relations were fully 'normalised' by July 2004, in the words of SA deputy minister Aziz Pahad. In partnership with General Dynamics Land Systems, State-owned Denel immediately began marketing 105 mm artillery alongside a turret and light armoured vehicle hull, in support of innovative Stryker Brigade Combat Teams ('a 3500-personnel formation that puts infantry, armour and artillery in different versions of the same 8x8 light armoured vehicle'). According to one report, 'The turret and gun is entirely proprietary to Denel, using only South African technology. At sea level, it can fire projectiles as far as 36 km.'[27] This followed a period of serious problems for the SA arms firm and others like it (Armscor and Fuchs), which were also allowed full access to the US market in July 2004 after paying fines for apartheid-era sanctions-busting.[28] Given Pretoria's 1998 decision to invest US$6 billion in mainly offensive weaponry such as fighter jets and submarines, there are growing fears that peacekeeping is a cover for a more expansive agenda, and that Mbeki is tacitly permitting a far stronger US role in Africa - from the oil rich Gulf of Guinea and Horn of Africa, to training bases in the South and North - than is necessary.[29]

The way forward appears to be more of the same, although contradictions do occasionally slow progress. US ambassador to Pretoria Jendayi Frazer argued in September 2004 that the relationship was mutually constitutive: 'America needs South Africa. The US is the most economically and politically powerful country in the world, while South Africa is the most economically and politically powerful country in sub-Saharan Africa. The US economy represents about 30% of the world's output, and South Africa's GDP is about 38% of sub-Saharan Africa's output.' The mutual interests 'will grow stronger as our commercial ties are strengthened. There is a mutual benefit from this strong relationship that will shape Africa and the world at large. As South Africa develops as a key global economic player, it can do this better by expanding its ties with the US, more so than with any other country or regional grouping.' Washington, too, believes that 'we must expand our ties to South Africa more so than any other country in Africa. In many ways, South Africa's role in sub-Saharan Africa is analogous to the role of the US in the world. Our two countries are in a historic moment where deepening our relationship and our commercial ties will positively shape global

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26 Schmidt, M. (2004), 'US offers to Train and Equip Battalions,' *ThisDay*, 19 July.

27 South African Press Association (2004), 'Denel to Benefit from US Defence Trade', 21 July.

28 See Batchelor, P. and S. Willett (1998), *Disarmament and Defence Industrial Adjustment in South Africa*, Oxford: Oxford University Press; Crawford-Browne, T. (2004), 'The Arms Deal Scandal,' *Review of African Political Economy*, 31, pp.329-342.

29 Black, D. (2004), 'Democracy, Development, Security and South Africa's "Arms Deal"', in P. Nel and J. van der Westhuizen (Eds), *Democratizing Foreign Policy? Lessons from South Africa*, Lanham, MD: Lexington Books.

affairs.' Hence intensified trade interrelationships are vital: 'For the first time, we are negotiating a free trade agreement (FTA) in sub-Saharan Africa with the Southern Africa Customs Union (SACU), signaling a recognition of Africa's central role in the global economy and its strategic importance to the US.'[30]

Ironically, just as Frazer was publicising this intent, US-SACU FTA negotiations actually broke down. According to one report,

> South Africa's chief negotiator, Xavier Carim, tried to put on a brave face this week, saying that due to the complex nature of trade negotiations, periods of difficulty in which the process slowed down could be expected… But the US-SACU negotiators have so far failed to resolve fundamental differences on a number of key issues in which SACU negotiators believe US demands run counter to the region's development agenda. These include intellectual property and investment rules – US demands are said to conflict with key SA development concerns, such as the provision of health services and black economic empowerment. Carim said US standards on intellectual property were high and 'may not be appropriate for a developing country'. The issue also came up in the US's recent agreement with Australia, where the US pushed for higher prices on generic medicines to protect the intellectual property of US drug makers. This is likely to be even more important for those SACU economies that are struggling to contain an HIV/Aids epidemic and need to source cheap drugs to extend treatment. Other sources of disagreement are believed to include government procurement, where equitable access for foreign firms could have serious consequences for the government's black economic empowerment initiatives and other policies.[31]

In a recent survey, Robert Biel identified two central contradictions in US imperialism vis-à-vis Africa: 'First, central accumulation always tends to siphon away the value which could form the basis of state-building, bringing with it the risk of "state failure", leading to direct intervention. Second, the international system becomes increasingly complex, characterised by a range of new actors and processes and direct penetration of local societies in a way which bypasses the state-centric dimension.' Because of the complexity of indirect rule, and the difficulty of co-opting all relevant actors, Biel continues, 'A reversion to the deployment of pure power is always latent, and the post-September 11th climate has brought it directly to the fore. This is a significant weakness of international capitalism.'[32] And it explains why Pretoria is so desirable as Washington's ally.

However, because South Africa has its own material interests, which occasionally conflict with those of the imperialist bloc, leading to rare breakdowns in negotiations such as US-SACU, it is useful to more closely consider whether the economic motor of South African organic subimperialism in Africa can be found in Johannesburg boardrooms. As intimated, the contradictions in central and subimperial accumulation mean that siphoning value is not always as easy as Pretoria desires.

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30 Frazer, J. (2004), Why SA and the US Need each Other', *Sunday Times,* 19 September.

31 Mnyanda, L. (2004), 'Trade Talks Grind to a Halt,' *Sunday Times*, 19 September.

32 Biel, R. (2003) 'Imperialism and International Governance: The Case of US Policy towards Africa', *Review of African Political Economy*, 95, p.87.

South African investment patterns, then and now

Nelson Mandela may have been diplomatic – or disturbingly frank – when in mid-2003 he launched the Mandela Rhodes Foundation at Rhodes House in Cape Town, the former De Beers corporate headquarters. De Beers was, at the time, a high-profile defendant in Jubilee South Africa and apartheid victim lawsuits to reclaim apartheid profits. Mandela not only condemned the suits, but his speech contained a positive reference to the company founder's subimperial role: 'I am sure that Cecil John Rhodes would have given his approval to this effort to make the South African economy of the early 21st century appropriate and fit for its time.'[33]

What kind of precedent did Rhodes set? In Southern and Central Africa, the consolidation of settler colonialism was feasible in large part thanks to the 1880-90s entrepreneurship and geopolitical leadership of Rhodes, a financier who graduated from diamond merchant cartelisation in Kimberley, where the DeBeers monopoly was born, to become governor of the Cape Colony. Rhodes received permission from Queen Victoria to plunder what are now called Gauteng Province (greater Johannesburg) once gold was discovered in 1886, and then Zimbabwe, Zambia and Malawi; his ambition was to paint the map British imperial red, stretching along the route from the Cape to Cairo. Rhodes' two main vehicles were the British army, which invented the concentration camp and in the process killed 25,000 Afrikaner women and children and 14,000 black people during the 1899-1902 Anglo Boer South African War, and the British South Africa Company (BSAC), a for-profit firm which in 1890 began its drive from Cape Town north of the Limpopo River by sponsoring the 'Pioneer Column'. That settler initiative soon founded present-day Harare while massacring thousands of Shona and Ndebele people who had established pockets of resistance from 1893-96. London imperialists assumed that competition would continue beyond Berlin's 'Scramble for Africa', and that only BSAC-style expansion, at relatively little cost to Britain's taxpayers, would ensure geographical dominance over the interior of the continent in the face of hostile German, Portuguese, French, Belgian and Boer forces. Such a strategy was critical, they posited, to the protection of even the Nile Valley, which in turn represented the life-line to the prize of India.[34]

As is the case today, however, a crucial economic dynamic was playing out in Europe, above and beyond the never-ending search for gold, which helped explain the resource flows behind Rhodes' conquests: chronic overaccumulation of capital, especially in the London and Paris financial markets. Moreover, the push of capital was joined by the pull of white settlers from the colonising powers, as a result of growing social, ethnic and nascent class unrest across Southern Africa, itself a logical consequence of the establishment of systemic migrant labour systems. This dynamic fit the general thesis concerning financial control, capital-export, sub-imperial settler sites, and the advanced capitalist countries' 'labour aristocracy' advanced by, among others, Hobson, Hilferding and Lenin.[35]

Likewise, the easy availability of foreign portfolio funding for nascent Southern African

33 South African Press Association (2003), 'Mandela Criticises Apartheid Lawsuits,' 25 August.

34 Loney, M. (1975), *Rhodesia: White Racism and Imperial Response*, Harmondsworth, Penguin, pp. 31-32.

35 Lenin illustrated *Imperialism* with a quote Rhodes uttered in 1895: 'In order to save the 40,000,000 inhabitants of the United Kingdom from a bloody civil war, we colonial statesmen must acquire new lands to settle the surplus population, to provide new markets for the goods produced in the factories and mines. The Empire, as I have always said, is a bread and butter question. If you want to avoid civil war, you must become imperialists.' (Lenin, V. [1986](1917), *Imperialism*, Moscow, Progress Publishers, p.87.

stock markets in Johannesburg and Bulawayo stemmed from a lengthy international economic depression, chronic excess financial liquidity (a symptom of general overaccumulation), and the global hegemony enjoyed by City of London financiers. Surplus capital was still concentrated in the London stock market in the early 1890s, and flowed easily not only to other European countries and the New World, but also to the high-profile, well-tested initiatives of Rhodes, supported by the likes of the then journalist, Winston Churchill.

In sum, it was a period, Ian Phimister contends, of increasing geopolitical turbulence across Africa emanating from 'capitalism's uneven development during the last third of the nineteenth century, particularly the City of London's crucial role in mediating the development of a world economic system.' As Britain faced industrial decline during the 1870s in both absolute and relative terms, manufacturers unable to compete in European markets joined ascendant London financial and commercial interests in promoting Free Trade philosophy, in contrast to the protectionism of other Europeans and the United States.[36]

A central function of Rhodes' role in the region was, in the course of searching for gold, to ameliorate the contradictions of global capitalism by channeling financial surpluses into new infrastructural investments, such as the telegraph, railroad and surveying that tamed and commodified the lands immediately north of South Africa. Even if these did not immediately pay off for the BSAC, they did succeed in extracting resources and assuring political allegiance to South African corporate power, a power that was generally in harmonious unity with the evolving British-run states of the region. We return to this point shortly, because regional economic domination – through liberalism backed by the forces of colonial power then, and today, through neoliberalism with military capabilities not yet fully tested – has also become the objective of the contemporary South African ruling class.

Today, the most important ways that South African corporate investments in the region foster economic relations in the tradition of Rhodes are through retail trade, mining, agricultural technology and the Nepad private infrastructure investment strategy. The terrain is terribly uneven, with Nepad in particular so far failing to attract the desired privatisation ('public-private partnership') resources. Still, a common criticism, that South African businesses are 'new imperialists', became a matter of 'great concern' by 2004, according to a leading member of Mbeki's cabinet, Jeff Radebe: 'There are strong perceptions that many South African companies working elsewhere in Africa come across as arrogant, disrespectful, aloof and careless in their attitude towards local business communities, work seekers and even governments.'[37]

For example, Johannesburg retailers are deindustrialising many African countries by sourcing their goods from South Africa instead of local producers, so as to take advantage of economies of scale.[38] As noted above, Johannesburg mining firms became an embarrassment in part because of the DRC looting allegations, and in part because of the role the DeBeers diamond conglomerate and its Botswana government and World Bank allies played in the displacement of the Basarwa/San bushmen in 2003-04.[39]

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36 Phimister, I. 1992, 'Unscrambling the Scramble: Africa's Partition Reconsidered,' Paper presented to the African Studies Institute, University of the Witwatersrand, Johannesburg, 17 August, pp.11-15.
37 Sapa, 30 March 2004.
38 Miller, D. (2003), 'SA Multinational Corporations in Africa: Whose African Renaissance?,' International Labour Research and Information Group Occasional Paper, Cape Town.
39 Taylor, I. and G.Mokhawa (2003), 'Not Forever: Botswana, Conflict Diamonds and the Bushmen,' *African Affairs*, 102.

It may well be, however, that the longer-term implications of South African subimperialism can best be observed in the agricultural sector. While the governments of Zimbabwe, Zambia and Angola all attempted to resist genetically modified organisms in food crops, in part because that would shut down their European export potentials, South Africa became the gateway to infecting African agriculture. 'Despite comprehensive objections raised by the African Centre for Biosafety and Biowatch South Africa,' according to the *Mail & Guardian* in July 2004, Pretoria 'approved a United States funded project that will soon see genetically engineered potatoes sprouting in six secret locations in African soil. Similar potatoes were first grown in the United States but were withdrawn from the market due to consumer resistance.' Biowatch South Africa requested a delay in the decision until a High Court ruling on the secret proliferation of genetically engineered organisms, but was initially unsuccessful[40]

Surprisingly, perhaps the most significant *potential* factor in South African corporate subimperialism, Nepad, was apparently still-born as an operative investment framework. 'In three years not a single company has invested in plan's 20 high-profile infrastructure development projects [roads, energy, water, telecommunications, ports], according to *Business Day* in mid-2004. 'The private sector's reluctance to get involved threatens to derail Nepad's ambitions.' In contrast, a 2002 World Economic Forum meeting in Durban provided Nepad with endorsements from 187 major companies, including Anglo American, BHP Billiton, Absa Bank and Microsoft. According to the programme's chief economist, Mohammed Jahed, 'Nepad is reliant upon the success of these infrastructure projects, so we need to rethink how we will get the private sector involved, because clearly they have not played the role we expected.'[41]

Johannesburg capital is indeed moving rapidly into the region, but the problem seems to be a disconnect between longer-term, public-oriented investments within the Nepad portfolio, and the short-termist self-interest of corporations. John Daniel, Varusha Naidoo and Sanusha Naidu of Pretoria's Human Sciences Research Council documented Johannesburg capital's march up-continent in a useful survey. However, they concluded, 'A distinction needs to be drawn between the behaviour of South Africa's corporates and its government… it is not possible for Africa's politicians to make the same charge ['they bulldoze their way around', according to a Kenyan MP on Johannesburg business leaders in 2001] against those who represent South Africa's political interests in Africa... Here there has been a sea-change from the past... non-hegemonic co-operation has in fact, been the option embraced by the post-apartheid South African state.'[42]

The reality, as even journalists have surmised, is different. In August 2003, the *Sunday Times* remarked on SADC delegates' sentiments at a Dar es Salaam regional summit: 'Pretoria was "too defensive and protective" in trade negotiations [and] is being accused of offering too much support for domestic production "such as duty rebates on exports" which is killing off other economies in the region.'[43] One key problem is that actions taken by Pretoria bureaucrats, including the Department of Trade and Industry, don't necessarily correspond to the integrative investment strategies proposed by the Nepad secretariat.

40 *Mail & Guardian* (2004), 'SA Biosafety Regulators in Bed with Industry on GM Potatoes?,' 27 July; http://www.biosafetyafrica.net; http://www.biowatch.org.za.
41 Rose, R. (2004), 'Companies "Shirking" their Nepad Obligations', *Business Day*, 24 May.
42 Daniel, J., V.Naidoo and S.Naidu (2003), 'The South Africans have Arrived: Post-Apartheid Corporate Expansion into Africa,' in J.Daniel, A.Habib and R.Southall (Eds), *State of the Nation: South Africa 2003-04*, Pretoria, HSRC, pp.388-389. For an update, see Daniel, J., J.Lutchman and S.Naidu (2004), 'Post-apartheid South Africa's Corporate Expansion into Africa,' *Review of African Political Economy*, 31, pp.343-348.
43 Munusamy, R. (2003), 'SADC wants to Raise SA's Trade Tariffs', *Sunday Times*, 24 August.

Hence Nepad's function has *not* been, so far, to boost profits for South African and allied businesses in the 20 major projects. Indeed, Darlene Miller concludes her nuanced analysis of Nepad and Johannesburg capital's interests with crucial caveats: 'different appropriations of African identity are possible within such a neoliberal Africanism' in view of the business sector's 'modernisation notions of development that are a throwback to colonial times.' She contrasts this approach with 'African Renaissance ideology' and its 'pre-colonial and anti-colonial sentiment'. Still, notwithstanding such divergences, there is 'ideological commonality'.[44] Indeed, it is probably more accurate to describe Nepad as subimperialist because of the way it revitalises the bankrupt philosophy of neoliberalism in Africa.

Neoliberal Nepad

Washington and the rest of the West had no problems with Nepad's economic foundations. *Institutional Investor* magazine quoted the Bush administration's chief Africa bureaucrat, Walter Kansteiner: 'The US will focus on those emerging markets doing the right thing in terms of private sector development, economic freedom and liberty.'[45] An IMF *Working Paper on the New Partnership for Africa's Development* termed Nepad 'visionary', and promoted 'the active selling of reforms' through national marketing and advice centres, such as the African Regional Technical Assistance Centre in Dar es Salaam. African governments should 'use Poverty Reduction Strategy Papers (PRSPs) to translate Nepad's framework into operational blueprints.'[46]

If PRSPs were the model, Nepad's operational blueprints would be no different than the standard Washington Consensus approach to economic development: export-led growth, fiscal and monetary discipline, and trade/financial liberalisation. That approach considers as a central premise that deeper integration into the world economy will benefit the continent. Yet Africa's *share* of world trade declined over the past quarter century, while the *volume* of exports increased. 'Marginalisation' of Africa occurred not because of *lack* of integration, but because other areas of the world, especially East Asia, moved to the export of manufactured goods. Africa's industrial potential declined thanks to excessive deregulation associated with structural adjustment.[47]

Moreover, Africa's debt crisis worsened as globalisation intensified. From 1980-2000, Sub-Saharan Africa's total foreign debt rose from $60 billion to $206 billion, and the ratio of debt to GDP rose from 23% to 66%. Africa now repays more than it receives. In 1980, loan inflows of $9.6 billion were higher than the debt repayment outflow of $3.2 billion. By 2000, only $3.2 billion came in, and $9.8 billion was repaid, leaving a net financial flows deficit of $6.2 billion.[48] Meanwhile, donor aid was down 40% from 1990 levels. There is convincing documentation that the tearing of safety nets under structural adjustment worsens the vulnerability of women, children, the elderly and disabled people. They are expected to survive with less social subsidy and greater pressure on the fabric of the family during economic crisis, which makes women

44 Miller, D. (2004), 'South African Multinational Corporations, Nepad and Competing Spatial Claims on Post-Apartheid Southern Africa,' Institute for Global Dialogue Occasional Paper 40, Johannesburg, p.25.
45 Gopinath, 'Doubt of Africa.'
46 http://www.brettonwoodsproject.org, May 2003.
47 Arrighi, G. (2002), 'The African Crisis: World Systemic and Regional Aspects,' *New Left Review* 2, 15; Saul, J. and C.Leys (1999), 'Sub-Saharan Africa in Global Capitalism,' *Monthly Review*, July.
48 World Bank (2002), *Global Finance Tables*, Washington.

more vulnerable to sexual pressures and, therefore, HIV/AIDS.[49]

The other source of outflows that must be reversed, if Africa is to overcome its systematic underdevelopment within the circuits of international finance, is capital flight. James Boyce and Léonce Ndikumana argue that a core group of subSaharan African countries with a joint foreign debt of $178 billion, suffered a quarter century of capital flight by elites that totaled more than $285 billion, including imputed interest earnings. 'Taking capital flight as a measure of private external assets, and calculating net external assets as private external assets, minus public external debts, sub-Saharan Africa appears to be a net creditor vis-à-vis the rest of the world.'[50] Capital flight by African elites is not taken seriously in Nepad. A crackdown would conflict with South African finance minister Trevor Manuel's commitment to further financial liberalisation on a 'fast-track' basis, which promised he would pursue during a 2002 talk to the Commonwealth Business Forum.[51]

Subsequently, the danger of free-flowing finance rose to new levels. Two years later, Manuel's director general Lesetja Kganyago announced a new 'Financial Centre for Africa' project to amplify the financialisation tendencies already evident in Johannesburg's exclusive new Sandton central business district: 'Over the five years to 2002, the financial sector grew at a real rate of 7.7% per year, more than twice as fast as the economy as a whole.' Responsible for a full quarter of post-apartheid South African GDP growth, the sector required further room to expand. According to Kganyago, 'What is needed is a financial hub especially focused on the needs and circumstances of the region, much in the same way that Singapore and Hong Kong cater for the capital needs of the Asian continent… International financial centres tend to have a foundation in common. Elements include political stability, free markets, and what is best described as the rule of commercial law.' Pretoria's specific aims included 'opening South Africa's markets to African and global issuers; global lowest trading costs and trading risk; global leadership in investor protection; and a global hub for financial business process outsourcing.' Concluded Kganyago, 'Africa's economies cannot wait the slow maturing of national financial markets to provide the necessary channel for large-scale foreign capital flows for development. Only a regional financial centre will be in a position to provide these services in the foreseeable future.'[52]

Much the same attitude of regional dominance, no matter how infirm the basis, was evident in the sphere of geopolitics.

Political Nepad

At first blush, the most hopeful political intervention from the African Union and Nepad was a

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49 See, e.g., Elson, D. (1991), 'The Impact of Structural Adjustment on Women: Concepts and Issues,' in B.Onimode (ed), *The IMF, the World Bank and the African Debt,* London, Zed Books; Longwe, S. (1991), 'The Evaporation of Policies for Women's Advancement,' in N.Heyzer et al (Eds), *A Commitment to the Worlds Women*, New York, UNIFEM; Mahmoud, F. (1996), 'Building a Pan-African Women's Movement', in T.Abdul-Raheem (Ed), Pan-Africanism: Politics, Economy and Social Change in the 21st Century, Trenton, Africa World Press; and Tskikata, D. and J. Kerr (Eds)(2002), *Demanding Dignity: Women Confronting Economic Reforms in Africa*, Ottawa, The North-South Institute and Accra, Third World Network-Africa..

50 Boyce, J. and L. Ndikumana (2000), 'Is Africa a Net Creditor? New Estimates of Capital Flight from Severely Indebted Sub-Saharan African Countries, 1970-1996', Occasional Paper, University of Massachusetts/Amherst Political Economy Research Institute.

51 Manuel, T. (2002), 'Mobilizing International Investment Flows: The New Global Outlook,' Speech to the Commonwealth Business Council, 24 September.

52 Kganyago, L. 2004, 'South Africa as a Financial Centre for Africa,' Speech to the Reuters Economist of the Year Award Ceremony, Johannesburg, 11 August.

set of peace-keeping efforts in West African hotspots and the Great Lakes region. However, the particularly difficult Burundi and DRC terrains of war were riven with deep-seated rivalries and socio-economic desperation, which Pretoria did not comprehend much less resolve. In 2003, prominent South African officials (Mandela – who was chief mediator in Burundi, Mbeki, Dlamini-Zuma and deputy president, Jacob Zuma) facilitated two power-sharing peace deals in these countries, but left the underlying contradictions intact.

The papering-over efforts did not halt the massacre of hundreds in the northeast of the DRC the day of the celebrated Sun City peace deal. Nor did it succeed in bringing key Burundian rebel leaders to the table for many months. By year-end 2003, reported Jean-Jacques Cornish in the *Mail & Guardian*, 'war-weary Burundians continue to be denied their peace dividend,' because the National Liberation Front was not included in Pretoria's deal. This left 1 500 South African troops in that war zone along with 2 000 other African peace-keepers. The UN Security Council expressed unease at the lack of reform and disarmament in the DRC.[53]

Millions have died in the DRC, and hundreds of thousands in Burundi. On the surface, Pretoria's senior conflict mediation in central Africa during 2003 appeared positive. However, closer to the ground, the agreements more closely resemble the style of elite deals which lock in place 'low-intensity democracy' and neoliberal economic regimes. Moreover, because some of the belligerent forces were explicitly left out, the subsequent weeks and months after declarations of peace witnessed periodic massacres of civilians in both countries and a near-coup in the DRC.

By mid-2004, the highly-regarded intellectual and leader of the Rassemblement Congolais la Democratic, Ernest Wamba dia Wamba, was publicly critical of Pretoria's interference, arguing that Mbeki and his colleagues set the process off 'on a wrong footing'. He complained, 'Some feel like South Africa has actively put us in the situation we are in. They had a lot of leverage to make sure that certain structural problems were anticipated and solutions proposed. They seem to have fallen in the Western logic of thinking that mediocrity is a less evil for Congolese, if it stops the war. They also have a lot of leverage to get a clear on-going commitment to resolve the contradictory fears of both the DRC and Rwanda; they do not seem to use it.'[54]

One can only hope that Pretoria's peace deals will stick. Yet the interventions were characterised by top-down decisions from the presidency, and apparently neglected consultation with the SA National Defence Force or Foreign Affairs, much less African parliaments and societies. Trying to police the global capitalist periphery required more common sense in relation to the root causes of conflict, because without making provision for total debt cancellation in Burundi, for example, the massive drain on that country's resources is a recipe for conflict. In 1998, as strife became endemic, Burundi spent nearly 40% of its export earnings on debt repayment - in the same league as only two other countries, Brazil and Zimbabwe. In Brazil, the people's anger at the economic oppression associated with this level of debt repayment saw the Workers' Party assume political power five years later. In Zimbabwe, the state turned to brutal repression. Burundi, meanwhile, was led, slowly and painfully, first by Julius Nyerere and then Mandela, toward a power-sharing deal that was meant to sort out ethnic divisions, but that could exacerbate the crisis because of the lack of root-cause problem solving.

There was, nevertheless, hope that the good-governance rhetoric in the Nepad base document might do some good: 'With Nepad, Africa undertakes to respect the global

53 *Mail & Guardian,* 19 December 2003.
54 Majavu, M. (2004), 'Interview with Ernest Wamba dia Wamba,' http://www.zmag.org, 22 June.

standards of democracy, which core components include … fair, open, free and democratic elections periodically organised to enable the populace choose their leaders freely.'[55]

While South Africa under Mbeki's rule permits free and fair elections (after all, the ANC wins easily), the other main Nepad leader, Nigeria's Obasanjo, does not. This was apparent during the April 2003 presidential poll, which resulted in what a United Nations press agency termed, 'the threshold of total one-party dominance' by the ruling People's Democratic Party. As one example, according to official records, a near 100% turnout occurred in the southern Rivers State, with 2.1 million of 2.2 million registered voters supporting president Obasanjo. Yet electoral observers reported a low turnout.[56] In Obasanjo's home state of Ogun, the president won 1 360 170 votes against his main opponent's 680. The number of votes cast in a simultaneous race in the same geographical area was just 747 296. Obasanjo's explanation, by way of denigrating European Union electoral observers, was that, 'certain communities in this country make up their minds to act as one in political matters... They probably don't have that kind of culture in most European countries.' International observers found 'serious irregularities throughout the country and fraud in at least 11 of 36 states.'[57]

According to Chima Ubani of the Civil Liberties Organisation, 'it's not the actual wish of the electorate but some machinery that has churned out unbelievable outcomes. We've seen a landslide that does not seem sufficiently explained by any available factor.' The opposition All Nigeria People's Party called the vote, 'the most flagrantly rigged in Nigeria's history.' Complaints also came from the Transition Monitoring Group and the Catholic Church's Justice Development and Peace Commission, which together had 40 000 monitors documenting abuse.[58] In contrast, Mbeki's weekly ANC internet *ANC Today* letter proclaimed, 'Nigeria has just completed a series of elections, culminating in the re-election of president Olusegun Obasanjo into his second and last term. Naturally, we have already sent our congratulations to him.' Mbeki registered, but then dismissed, the obvious: 'It is clear that there were instances of irregularities in some parts of the country. However, it also seems clear that by and large the elections were well conducted.'[59]

Nepad's Zimbabwe test

A similar lack of respect for democracy was evident in Zimbabwe.[60] Ironically, after opposing Nepad at the AU meeting in Durban, Mugabe and foreign minister Stan Mudenge were visited by a humble Dlamini-Zuma in October 2002. A few days later, finance minister Herbert Murerwa used his budget speech to parliament to proclaim that it was, 'critical that Zimbabwe remains part of this [Nepad] process.'[61] An increasingly cozy relationship between Pretoria and Harare alienated Zimabwe's democratic opposition. Morgan Tsvangirai, leader of the Movement for Democratic Change, concluded that Mbeki had, 'embarked on an international safari to campaign for Mugabe's regime. Pretoria is free to pursue its own agenda. But it must realise that Zimbabweans can never be fooled anymore.'[62] Tsvangirai was framed on a

55 Nepad, paragraph 79.
56 IRIN news service, 12 May 2003.
57 *Mail & Guardian*, 26 April 2003.
58 IRIN news service, 12 May 2003.
59 http://www.anc.org.za, 25 April 2003.
60 The story of Pretoria's bizarre relationship with the Zanu-PF regime is told in Bond and Manyanya, *Zimbabwe's Plunge.*
61 Murerwa, H. (2002), 'The 2003 National Budget Statement,' Parliament, Harare, 14 November.
62 Tsvangirai, M. (2002), 'President of the MDC's Speech to MDC Parliamentarians,' Harare, 18 December.

ludicrous treason charge in early 2002, which two years later continued dragging on in the courts.

According to Tsvangirai, the February 2003 gambit by Mbeki and Obasanjo to readmit Zimbabwe to the Commonwealth represented

> the disreputable end game of a long-term Obasanjo-Mbeki strategy designed to infiltrate and subvert not only the Commonwealth effort but, all other international efforts intended to rein in Mugabe's violent and illegitimate regime. Through this diabolical act of fellowship and solidarity with a murderous dictatorship, General Obasanjo and Mr Mbeki have now openly joined Mugabe as he continues to wage a relentless war against the people of Zimbabwe. They are now self-confessed fellow travelers on a road littered with violence, destruction and death.[63]

Most in Zimbabwean civil society shared that cynicism. In a foreword to a 2003 booklet subtitled, *Why the New Partnership for Africa's Development is Already Failing*, Zimbabwe Coalition on Debt and Development chairperson Jonah Gokova wrote of the

> profound rejection of Nepad by Zimbabweans from important social movements, trade unions and NGOs within our increasingly vibrant civil society... we now call on Africans to rally around an African People's Consensus, inspired by a vision of the development of the continent that reflects more genuine African thinking, instead of Nepad, that 'homegrown' rehashing of the Washington Consensus augmented by transparently false promises of good governance and democracy.[64]

Did Mbeki and Obasanjo deserve the derision? They termed Zimbabwe's 2002 presidential election 'legitimate,' and repeatedly opposed punishment of that regime by the Commonwealth and UN Human Rights Commission. In February 2003, Dlamini-Zuma stated, 'We will never criticise Zimbabwe.' The Nepad secretariat's Dave Malcomson, responsible for international liaison and co-ordination, admitted to a reporter, 'Wherever we go, Zimbabwe is thrown at us as the reason why Nepad's a joke.'[65]

Later in 2003, the Zimbabwe issue emerged as an international scandal once again. Mbeki had failed in his March 2003 attempt to have Zimbabwe readmitted to the Commonwealth, following the March 2002 election-related suspension. He then tried to ensure Mugabe would be invited to the December 2003, Abuja meeting of the Commonwealth, hosted by Obasanjo. But the Nigerian was under pressure from London, Canberra and Ottawa, and his fact-finding mission to Harare a few weeks before the Commonwealth summit did not give him sufficient logical ammunition to persuade Commonwealth powerbrokers that political freedom now existed in Zimbabwe.

With Obasanjo refusing to invite Mugabe, Mbeki reportedly decided to punish the Commonwealth secretary-general, New Zealander Don McKinnon, who, according to

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63 Cited in Manyanya, M. (Ed)(2003), *NEPAD's Zimbabwe Test: Why the New Partnership for Africa's Development is Already Failing*, Harare, Zimbabwe Coalition on Debt and Development, Foreword. For reasons that are unclear, Tsvangirai, in December 2003, 'encouraged' Mbeki's constructive engagement. At the time, the MDC was hoping to gain admittance to the Socialist International whose other main African member was the ANC.

64 Manyanya, *NEPAD's Zimbabwe Test*, Foreword.

65 *Business Day*, 28 March 2003.

Pretoria, had bent Commonwealth rules. McKinnon's secret 2002-03 consultations concluded a majority of members wanted the Zimbabwe issue decided in December 2003, and not March of that year. Apparently in revenge, Pretoria proposed replacing McKinnon with former Sri Lankan foreign minister Lakshma Kadirgamar. But Mbeki's candidate lost the election by 40-11. The news agency Zwnews.com opined that Botswana, Cameroon, The Gambia, Ghana, Kenya, Malawi, Mauritius and Sierra Leone voted for McKinnon.

At the Abuja summit, Zimbabwe was suspended indefinitely. Mugabe immediately announced at a ZANU(PF) congress that Zimbabwe would leave the organisation. The real loser, however, was Mbeki, for as University of Pretoria politics professor Hussein Solomon remarked, 'Mbeki has no credibility as a leader. He is not prepared to stand by the principles espoused in terms of the African renaissance.'[66]

Clearly bitter upon his return home, Mbeki helped craft a statement issued by the Southern African Development Community plus Uganda, complaining that unnamed Commonwealth members were, 'dismissive, intolerant and rigid.' Mbeki's next ANC website letter condemned the original March 2002 justification for suspending Zimbabwe, noting that the electoral observation mission Pretoria had reported back with these lines: 'The Mission is, therefore, of the view that the outcome of the elections represents the legitimate voice of the people of Zimbabwe.'

Mbeki then rubbished Zimbabwean democrats:

> In his book *Diplomacy*, Dr Henry Kissinger discusses the place of the issue of human rights in the East-West struggle during the Cold War. He writes that: 'Reagan and his advisers invoked (human rights) to try to undermine the Soviet system.' … It is clear that some within Zimbabwe and elsewhere in the world, including our country, are following the example set by 'Reagan and his advisers', to 'treat human rights as a tool' for overthrowing the government of Zimbabwe and rebuilding Zimbabwe as they wish. In modern parlance, this is called regime change.[67]

Zimbabwe Lawyers for Human Rights director, Arnold Tsunga, commented that Mbeki created 'a real danger of human rights defenders being attacked or clamped down upon… These remarks are likely to have far reaching and grave consequences on the operating environment of human rights defenders in Zimbabwe.'[68]

To top it off, the next week, Mbeki visited Mugabe and saw Tsvangirai for 25 minutes. The Zimbabwean president once again failed to agree to liberalise the political environment. Mbeki then attempted a diplomatic nicety: 'President Mugabe can assist us to confront the problems we have in South Africa, so that we can assist you to solve the problems that face Zimbabwe.' The comment caused a sudden decline in the rand's value, and so *Sunday Independent* political writer John Battersby, a loyal transmission belt for Pretoria, quoted a 'senior government spokesperson' that the comment was 'to ensure that the Zimbabweans continue listening to

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66 *Business Day*, 9 December 2003.

67 Mbeki, T. (2003), 'We Will Resist the Upside-Down View of Africa,' *ANC Today* 49, http://www.anc.org.za, 12 December. Notably, Mbeki failed to use the Commonwealth as a venue to criticise the illegal invasion and occupation of Iraq by Britain and Australia.

68 Tsunga, A. (2003), 'The Legal Profession and the Judiciary as Human Rights Defenders in Zimbabwe,' Mutare, 24 December, p.1.

us.'[69] But would anyone else?

German chancellor Gerhard Schroeder had a chance in January 2004 during a state visit, when Mbeki announced: 'I'm happy to say that they [ZANU(PF) and the MDC] have agreed now that they will go into formal negotiations.' In reality, Tsvangirai was back in court on the treason frame-up that same week and the MDC's Harare office was raided by police – hardly auspicious signs. The last formal 'talks about talks' had occurred seven months earlier. MDC secretary-general Welshman Ncube replied to Mbeki, 'We have heard it all before.' Mugabe's justice minister, Patrick Chinamasa, leader of the government's negotiating team, confirmed that he was 'not aware of any new developments.'[70]

Similar episodes occurred throughout 2004. And the spurning of democrats in Zimbabwe followed the pattern already established in relation to civil society more generally: ignoring the opposition, until the point at which (half-hearted) co-option was required.

Nepad and civil society

Notwithstanding the fact that until April 2002, there was *no* involvement by organised civil society in the construction of the Nepad base document or consultation about its implementation, it was not surprising that a flurry of activity occurred once the programme began to be better publicised as Africa's governance blueprint in mid-2002. For example, at the World Economic Forum (WEF) Southern Africa regional meeting in June 2002, Nepad's commitment to participation was unveiled as meaningless. Ashwin Desai reports how, at the Durban International Convention Centre,

> police arrived with a massive show of force and drove protesters away from the building with batons and charging horses. One of the organisers of the WEF was approached by an incredulous member of the foreign media and asked about the right to protest in the 'new South Africa.' The organiser pulled out the programme and, with a wry smile, pointed to an upcoming session entitled, 'Taking Nepad to the People.' He said he could not understand the protests because the 'people' have been accommodated.[71]

As for African intellectuals, not only had a tough critique already been launched by the Council for the Development of Social Science Research in Africa, but other impressive radical analyses continued to emerge.[72] By the time of the July 2002, Durban launch of the African Union, more than 200 opponents of Nepad in human rights, debt and trade advocacy groups from the Democratic Republic of Congo, Kenya, South Africa, Tanzania and Zimbabwe were sufficiently

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69 *Sunday Independent*, 21 December 2003.
70 *London Times*, 23 January 2004.
71 Desai, A. (2003), 'Neoliberalism and Resistance in South Africa,' *Monthly Review*, January.
72 They were not available for inclusion in the first edition, but the most rigorous studies in 2002 were conducted by experienced political economists: Adedeji, A. (2002), 'From the Lagos Plan of Action to the New Partnership for Africa's Development, and from the Final Act of Lagos to the Constitutive Act: Whither Africa?' Keynote Address for the African Forum for Envisioning Africa, Nairobi, 26-29 April; Adesina, J. (2002), 'Development and the Challenge of Poverty: Nepad, Post-Washington Consensus and Beyond', Paper presented to the Codesria/TWN Conference on Africa and the Challenge of the 21st Century, Accra, 23-26 April; Anyang'Nyong'o, P. et al (Eds)(2002), *NEPAD: A New Path?*, Nairobi, Heinrich Böll Foundation; Nabudere, D. (2002), 'Nepad: Historical Background and its Prospects,' in P.Anyang'Nyong'o, et al (Eds), *NEPAD: A New Path?* Nairobi, Heinrich Böll Foundation; Olukoshi, A. (2002), 'Governing the African Political Space for Sustainable Development: A Reflection on Nepad,' Paper for the African Forum for Envisioning Africa, Nairobi, 26-29 April.

organised to hold a militant demonstration at the opening ceremony.[73]

Reacting to the growing pressure from the political left, Mbeki began holding civil society consultations, with the assistance of a loyalist faction of the SA Council of Churches and the Africa Institute, although not without controversy.[74] *Business Day's* Jonathan Katzenellenbogen and Vuyo Mvoko reported that 'Nepad is under fire from African experts':

> The group, which met in Pretoria recently and was addressed by Mbeki, panned several aspects of the blueprint for Africa's economic recovery, referring to Mbeki and members of Nepad's steering committee as 'a small group of political elites' and saying the nature of Nepad would... 'perpetuate and reinforce the subjugation of Africa in the international global system, the enclavity of African economies and the marginalisation of Africa's people.' Responding to the criticism, Mbeki's spokesman, Bheki Khumalo, said: 'Ideology and slogans don't feed people. That has been the problem in the past.'[75]

In an unconvincing letter to the editor, Africa Institute director Eddie Maloka replied to the reporters' alleged 'serious distortion and sensationalisation'. He wrote: 'Your article is based on a selective citation of our report to support your afropessimistic negativity and alarmist reporting of the Group of Eight's meeting with African leaders.'[76]

Nepad's defenders did eventually locate some civil society allies. At the Durban AU African summit, trade unions met with Mbeki and repeated the criticism that Nepad, as a 'paradigm and model, does not depart fundamentally from previous programmes designed by the World Bank and the International Monetary Fund.' Mbeki offered union leaders resources to establish a corporatist structure that would allow ruling parties, 'to hold formal talks with African trade unions and business about Nepad.' Cosatu suggested that this structure 'could possibly be along the lines of the National Economic Development and Labour Council of South Africa,' the very organisation which repeatedly failed to persuade Erwin to honour the tripartite Social Clause agreement in trade negotiations.[77]

In Nigeria, a similarly corporatist faction of civil society was organised by an NGO, the Shelter Rights Initiative, in October 2002 to take advantage of Nepad. The group denounced the lack of activity by Mbeki's main Nepad co-promoter, Obasanjo: 'There appears to be no high-ranking, middle-level or articulate support staff or bureaucracy to support their work. The situation creates doubt as to whether Nepad will outlive the present government.'[78]

Nepad's 'peers'

Suspicion towards Nepad from democratic, progressive forces across Africa appeared validated when, in October 2002, political-governance peer review was nearly excised from the

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73 *Business Day*, 9 July 2002.

74 Several churchpeople told me how upset they were that, in spite of efforts by some in the SACC to circulate a powerful critique of Nepad, the presence of Mbeki in the room seemed to shake the more conservative forces into a patriotic pro-Nepad fervor.

75 *Business Day*, 27 June 2002.

76 *Business Day*, 4 July 2002. Revealing the weakness of his case, Maloka could merely cite the intellectuals' agreement on an 'all-Africa academy of arts and sciences' to advance 'intra-African academic partnership as a civil society component of Nepad.'

77 *Business Day*, 3 July 2002.

78 *Business Day*, 23 October 2002.

programme. *Business Day's* Katzenellenbogen described how Nepad 'had fallen victim to the realities of African politics... Diplomats said that there were indications that SA had succumbed to pressure from other African countries, including Libya and Nigeria, to confine peer review to economic and corporate governance matters.' But, as Katzenellenbogen offhandedly remarked, 'With reports done by the International Monetary Fund, World Bank, African Development Bank, and United Nations Economic Commission for Africa it is unlikely that a great deal of value can be added.'[79]

Canadian prime minister Jean Chretien reportedly called Mbeki to insist that peer review be restored, even though Nepad's approach was voluntary and, hence, toothless. Mbeki failed to do damage control on 'the stream of contradictory statements [from Pretoria] since deputy foreign minister Aziz Pahad's bombshell [about peer review being dropped] to the press at the Union Buildings,' Katzenellenbogen wrote.[80] Journalists and diplomats sensed that the fiasco was grounded in *realpolitik*, despite Mbeki's insistence that he stood by Nepad's democratic rhetoric. African elites didn't want that sort of donor aid-gatekeeping leverage located in Pretoria or anywhere else.

Thus, the March 2002 decision by AU leaders in Abuja to adopt the peer review mechanism, was only actioned fourteen months later, when a panel of six 'Eminent Persons' was named, just three days before the Evian G8 meeting. The five from outside South Africa were Mozambican Graca Machel, UN children's advocate and wife of former president Mandela; former Kenyan diplomat, Bethuel Kiplegat, a Renamo supporter during that group's mass murder of Mozambicans; Keynesian-oriented Nigerian economist Adebayo Adedeji; Senegal's former UN development official Marie-Angelique Savane; and Dorothy Njeuma from Cameroon.

The South African peer was Chris Stals, the former Reserve Bank governor whose African credentials included concern stated in late 1993 about the 'huge burden' the subregion presented South Africa.[81] *Mail & Guardian* columnist Richard Calland commented, 'Nepad's Declaration on Democracy, Political, Economic and Corporate Governance says precious little about development and poverty, and even less about socio-economic rights. Given that he must now oversee compliance, it is hard to know whether to laugh or cry at the fact that the declaration is full of the language that Stals will understand and has very little of that which he would not.'[82] During the 1990s, Stals had been embroiled in several serious governance controversies that should have disqualified him from being a 'peer' to any but the most greedy dictators:

- as a member of the exclusive, racist Afrikaner Broederbond, he participated in venal National Party apartheid politics from 1974;
- he lost R33 billion in SA's hard currency reserves one weekend in mid-1998 trying to defend the Rand, during one of its periodic crashes and won winning criticism from the IMF for incompetence, a few weeks later;
- he shifted Reserve Bank monetary policy to a tight-money, deregulatory financial regime, which put real interest rates on SA government bonds at more than 10% by the mid-1990s, compared to less than 5% in Britain and Germany, and approximately 3% in the US, Japan

79 *Business Day*, 31 October 2002.
80 *Business Day*, 31 October 2002.
81. Bond, P. (1993), 'If and When the New South Africa Looks North,' *Financial Gazette*, 22 November.
82. *Mail & Guardian*, 27 June 2003.

and Australia;
- assisted with the National Party project of making the Reserve Bank 'independent' in the 1993 Constitution, so that his job would not be subject to influence from parliament or any democratic forum;
- Reserve Bank governor during several bank failure scandals, including the 1992 Cape Investment Bank and Commuter Corporation pension fund bankruptcies, and the 1993 Masterbond crash, as well as other bank closures in which depositors lost their savings, with no Reserve Bank deposit insurance as proposed by consumer advocates;
- he bailed out failing large Afrikaans banks, subsequently merged as ABSA, in the early 1990s with an extremely generous low-interest loan, which cost taxpayers more than a billion rand;
- his reign as Reserve Bank governor included the early 1990s onset of bank redlining against black neighbourhoods and the dramatic 1993 relaxation of the Usury Act which increased interest rates to loan-shark levels for small borrowers.

How, then, was Stals chosen? A similar question was asked in 1994, when Mandela reappointed him Reserve Bank governor, until his retirement in 1999, when he was succeeded by Tito Mboweni. The terms of a December 1993 IMF loan to South Africa, kept secret until leaked to the press in March 1994, included intense pressure on the ANC to reappoint both apartheid finance minister Derek Keys and Stals. A visit by IMF managing director Michel Camdessus in early 1994 sealed the arrangement, and was publicly resented by Mboweni.[83]

Before the 2003 Evian summit, in time to influence the Abuja peer review selection process, Camdessus was named G8-host France's 'Africa personal representative,' and he enthusiastically endorsed the 'speed' at which the Nepad peer reviewers were chosen. Just prior to the Evian summit, Camdessus explained Nepad's attraction in the following way: 'The African heads of state came to us with the conception that globalization was not a curse for them, as some had said, but rather the opposite, from which something positive could be derived… You can't believe how much of a difference this makes.'[84]

The G8 and Africa

The result was, perhaps ironically, a cautious and also disdainful G8 attitude toward Africa. When Pretoria's delegation flew to the Kananaskis, Canada summit in June 2002, expectations had been high, not least because of a front-page *Time* feature on 'Mbeki's mission: 'He has finally faced up to the AIDS crisis and is now leading the charge for a new African development plan.'[85]

However, as *Institutional Investor* magazine reported, the G8's 'misleadingly named' Africa Action Plan represented merely 'grudging' support, for the main donor countries with 'only an additional $1 billion for debt relief. (The G8) failed altogether to reduce their domestic agricultural subsidies (which hurt African farm exports) and - most disappointing of all to the Africans - neglected to provide any further aid to the continent.'[86] South Africa's *Sunday Times* confirmed that 'the leaders of the world's richest nations refused to play ball.' Mbeki's comment was thus surprising: 'I think they have addressed adequately all the matters that were

83 Reported in the *Cape Times*, 5 May 1994; *Business Day*, 24 January and 24 March 1994.
84 http://www.g7.utoronto.ca/summit/2003evian/briefing _apr030601.html
85 *Time*, 10 June 2002.
86 Gopinath, 'Doubt of Africa.'

put to them.' Kananaskis, he said, was 'a defining moment in the … evolution of Africa and the birth of a more equitable system of international relations… it signifies the end of the epoch of colonialism and neocolonialism.'[87]

The epoch of neocolonialism continued. At the January 2003 World Economic Forum in Davos, Manuel angrily told journalists, 'Africa didn't really shine here. There is a complete dearth of panels on Africa.' A wire service report revealed, 'Among the many snubs Africa received here was the decision by former US president Bill Clinton to cancel his presence at a press conference on Africa today to discuss Nepad. Forum officials said Clinton did not give reasons for not attending.'[88]

By the time of the 2003, G8 meeting in Evian, France, world elites were aware of Nepad's lack of street credibility. *Institutional Investor* captured the tone: 'Like other far-reaching African initiatives made over the years, this one promptly rolled off the track and into the ditch... Almost two years after Nepad's launch, it has little to show in aid or investment. Only a handful of projects have fallen within the plan's framework.'[89]

Evian provided paltry concessions on the UN Global Fund for health, as well as what the *Financial Times* termed, 'year-old pledges to provide an extra $6 billion a year in aid to Africa,' a fraction of the amount spent on the Iraq war a few weeks earlier.[90] An estimated 120 000 activists protested the G8 in the Swiss cities of Geneva and Lausanne. Civil society leaders from six African social movements meeting nearby were scathing: 'The outcome of the 2003 Summit of the G8 reveals that the political will of the eight most powerful nations to meet their obligations to Africa has simply dried up... One or two drops of aid out of Evian amounts to a small patch for the haemorrhaging economies of Africa.'[91]

Mbeki had, a few weeks earlier, offered a righteous condemnation of the protesters, especially Jubilee Africa and the Africa Trade Network:

> What is happening at the precise moment when our continent is taking bold steps to determine its future. I am told that there are some Africans who describe themselves as members of African civil society, who have decided to fly to Evian in France to demonstrate against Nepad…
>
> Strange to say, Africans will fly to France to demand that nothing should be done to help our continent to move forward on these matters, on the basis of programmes conceived and elaborated by us as Africans. I think the most sensible thing for these Africans to do, if they were inspired to oppose African liberation and development, would have been to demonstrate at the headquarters of the African Union in Addis Ababa, rather than at a place in France closely associated with the high cost that France imposed on the Algerian people as they fought for their independence.[92]

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87 *Sunday Times*, 30 June 2002; *Business Day*, 28 June 2002.
88 Interpress Service, 28 January 2003.
89 Gopinath, 'Doubt of Africa.'
90 *Financial Times*, 2 June 2003. According to Reuters (2 June 2003), 'Ismaila Usman, an executive director of the IMF and former Nigerian finance minister, said late on Saturday some creditors are obstructing debt-relief efforts by selling poor countries' debts to litigious third parties rather than forgiving them.'
91 African Womens Communication and Development Network et al, 'Joint Statement.'
92 Mbeki, T. (2003), 'Address at the SA National Editors Forum Conference on the Media, the AU and Democracy,' Johannesburg, 12 April..

Northern NGOs were also surprised at the lack of progress at Evian. Oxfam complained: 'Not only are there no firm commitments, even their rhetoric is watered down compared with last year.' The health advocacy group, Medicins sans Frontiers, put the G8's failure in geopolitical terms: 'To get a pat on the back from Bush, Chirac has sacrificed the right for millions of people to have access to medicines they need to survive. He abandoned his widely publicised commitment to improving access to life-saving medicines, and the rest of the G8 are merrily going along for the ride.'[93]

Mbeki's response was to spindoctor the supposed gains from Evian: 'I think we have bitten off more than we can chew. If we had tried to take a bigger bite... we would not have been able to absorb it… we would produce disappointments. With all these resources committed, [people would ask] what are these Africans doing now? They are not using it.'[94] But the game was given away by Africa's finance ministers, who issued a joint statement after Evian expressing 'deep concern that negotiations on the key elements of the Doha development round have achieved little.'[95]

Another Evian visitor, Brazilian president Lula da Silva, declared that the G8's 'Incoherence between words and acts cannot but breed skepticism and distrust.'[96] Notwithstanding his subsequent desire for an alliance with Mbeki, Lula remarked, 'I noted that the presidents of the poorer countries spend their whole time complaining that the United States does not give us that to which we think we have a right... It does not help to keep crying to the European Union for it to reduce the subsidies it pays to its agriculturalists. No one respects a negotiator who cries or who walks around with his head low.'[97]

As global justice movement strategist Dennis Brutus wrote, Mbeki and his African colleagues were 'apparently intent on selling out the continent under the rubric of a plan crafted by the same technocrats who wrote Pretoria's failed Growth, Employment and Redistribution economic programme, under the guidance of Washington and the corporate leaders of Davos… It is past time for us to insist that President Thabo Mbeki rise off his kneepad and assume the dignity of an African leader, or face ridicule.'[98]

But if Mbeki rose, in which direction would he turn?

Might Pretoria spin left?

In June 2004, according to *Business Day* newspaper, 'President Thabo Mbeki set the seal yesterday on a decisive broad policy shift to the left for his final term in office, lashing out at what he called the "new conservatism" sweeping the world, which enshrined the individual and denigrated the state in a way which could never bring a better life for SA's millions.'[99]

The 'full-frontal attack on free-market economics' was interpreted by *The Economist* in these terms: 'Since attaining power, Mbeki has governed in a reasonably market-friendly manner. But he has recently started to veer back to the left, in word if not yet in deed... Two years ago he fought trade unionists and communists, who are formally allied with the ruling party, the

93 *Guardian*, 4 June 2003.
94 *Business Day*, 4 June 2003.
95 *Business Report*, 8 June 2003.
96 *Le Figaro*, 4 June 2003.
97 Agencia Folha, Alto Araguaia (translation T.Oppermann), 7 June 2003.
98 Brutus, D. (2002), 'Global Agendas are Set by the Usual Suspects,' *Business Day*, 27 June.
99 Hartley, W. and P. Bruce (2004), 'Mbeki signals Policy Shift to the Left with fiery Defence of State', *Business Day*, 24 June.

African National Congress, when they threatened to strike against privatisation. He beat them down, but he fears they may bounce back.'[100]

Mbeki's 2004 recourse to anti-market rhetoric was to some extent a reversion to an analysis learned within the exiled ANC and at the Lenin Institute in Moscow, and it deeply worried Peter Bruce, editor of *Business Day*: 'Has President Thabo Mbeki lost his mind? Has he lost his temper? His patience? Or has he just lost his faith?'[101] (Just a year earlier, in mid-2003, Bruce was more confident: 'The government is utterly seduced by big business, and cannot see beyond its immediate interests.')[102]

But would talking left be accompanied, still, by walking right? Following from such analysis, the way forward from colonialism and neo-colonialism to a fairer world economy and better-balanced geopolitical system would not pass through Washington, London, Geneva, Brussels or the G8 meeting-ground resorts, which is where Mbeki and his two key allies - Manuel and Erwin - have mainly chosen to promote reforms. Were Mbeki genuinely serious about challenging 'global apartheid' (his preferred term for imperialism), he would have addressed international power relations rather differently. The analysis, strategies, tactics and alliances adopted by Pretoria reveal a *subimperial* location in terms of both geopolitics and capital accumulation, instead of an approach based upon Mbeki's occasionally counter-hegemonic rhetoric.

The problem was not lack of access to sites of potential reform. Pretoria's lead politicians were allowed, during the late 1990s, to preside over the UN Security Council, the board of governors of the IMF and Bank, the United Nations Conference on Trade and Development, the Commonwealth, the World Commission on Dams and many other important global and continental bodies. Simultaneously taking Third World leadership, Pretoria also headed the Non-Aligned Movement, the Organization of African Unity and the Southern African Development Community.[103] Then, during a frenetic two-year period beginning in September 2001, Mbeki and his colleagues hosted, led, or played instrumental roles at the following dozen major international conferences or events: the World Conference Against Racism in Durban (September 2001); the launch of NEPAD in Abuja, Nigeria (October 2001); the Doha, Qatar ministerial summit of the World Trade Organization (November 2001); the UN's Financing for Development conference in Monterrey, Mexico (March 2002); the G8 summits in Genoa, Italy (July 2001) and Kananaskis, Canada (June 2002); the African Union launch in Durban (July 2002); the World Summit on Sustainable Development (WSSD) in Johannesburg (August-September 2002); the Davos World Economic Forum (January 2003); the Evian G8 Summit (June 2003); George W. Bush's first trip to Africa (July 2003); the Cancun WTO ministerial (September 2003); and the World Bank/IMF annual meeting in Dubai (September 2003).

However, virtually nothing was actually accomplished through these opportunities. At the UN racism conference, Mbeki colluded with the EU to reject the demand of NGOs and African

100 *The Economist* (2004), 'South Africa's Economy: Tack to the Left,' 1 July.

101 Bruce, P. (2004), 'Mbeki Shifts to the Left', *Business Day*, 25 June.

102 Bruce, P. (2003), 'SA Needs a Market Economy that Works for All People', *Business Day*, 4 June.

103 During this period, Pretoria can claim one intervention worthy of its human rights rhetoric: leadership of the 1997 movement to ban landmines (and hence a major mine-clearing role for South African businesses which had helped lay the mines in the first place). At the same time, however, Mandela's government sold arms to governments which practised mass domestic violence, such as Algeria, Colombia, Peru and Turkey; recognised the Myanmar military junta as a legitimate government in 1994; gave the country's highest official award to Indonesian dictator Suharto three months before his 1998 demise (in the process extracting $25 million in donations for the ANC); and invaded neighbouring Lesotho in 1998, at great social and political cost, mainly so as to secure Johannesburg's water supply.

leaders for slavery/colonialism/apartheid reparations. By all accounts, NEPAD provided merely a homegrown version of the Washington Consensus. At Doha, Erwin split the African delegation so as to prevent a repeat of the denial of consensus that had foiled the Seattle ministerial in December 1999. In Monterrey, Manuel was summit co-leader (with Michel Camdessus and disgraced Mexican ex-president Ernesto Zedillo), but his role was merely to legitimize ongoing IMF/WB strategies, including debt relief gimmicks. From Kananaskis, Mbeki departed with only an additional $1 billion commitment for Africa (aside from funds already pledged at Monterrey). The African Union supported both NEPAD and the repressive Zimbabwean regime of president Robert Mugabe. At the Johannesburg WSSD, Mbeki undermined UN democratic procedure, facilitated the privatization of nature, and did nothing to address the plight of the world's poor majority. In Davos, global elites ignored Africa and from Evian, Mbeki returned with nothing. For hosting a leg of Bush's Africa trip, Mbeki became the US 'point man' on Zimbabwe (as Bush pronounced), and avoided any conflict over Iraq. In Cancun, the collapse of trade negotiations left Erwin 'disappointed', because he and his G20 colleagues hoped for a deal, no matter how contrary it would be to ACP country interests. At Dubai, with Manuel leading the Development Committee, there was no Bretton Woods democratization, no new debt relief and no 'Post-Washington' policy reform. This was evident in March 2004 when a new IMF managing director was chosen, amidst Third World elite consternation about the job's reserved 'European-only' designation. Nothing else, aside from the peace-keeping funding and a minor extension of the ineffectual HIPC, was provided at Sea Island, while in contrast, Iraq won debt cancellation worth $87 billion.

Consider a few hypothetical questions in relation to Pretoria's strategy and alignments.[104] Instead of selling the US$250 million worth of arms to the Iraq War aggressors – the US and UK – and warmly welcoming George W. Bush a few weeks after his illegal occupation of Baghdad, what if Mbeki had taken the lead of Mandela (before his 2004 retraction) and explicitly punished Bush with a snub, and strengthened anti-war resistance and even US/UK boycotts in venues like the Non-Aligned Movement and African Union?

Instead of rejecting reparations struggles to punish international financiers, corporations and the Bretton Woods Institutions for supporting apartheid, what if Mbeki and his colleagues had nurtured the anti-racism cause, for the sake of both repairing apartheid's racial and socio-economic damage and warning big capital off future relations with odious regimes?

Instead of battling the global justice movement and African trade officials from Seattle through Doha to Cancun, what if trade minister Erwin had tried uniting the continent and its allies behind a counterhegemonic trade agenda so as to meet popular needs, not those of global capital?

Instead of rejecting debt cancellation as a strategy, what if Manuel had joined the Jubilee movement, denounced bogus World Bank and IMF plans for crumbs of relief in the midst of amplified neoliberalism, and helped to organise a debtors' cartel?

Instead of exacerbating the World Summit on Sustainable Development's orientation to commodification, not to mention repressing legitimate dissent, what if the ANC leaders had tried to harmonise and genuinely implement the agendas of poverty-eradication and environment? Instead of promoting water commercialisation and large dams, what if South

104 The following cases are chapters from Bond, *Talk Left, Walk Right*. See also Bond, P. (2005)[2000], *Elite Transition: From Apartheid to Neoliberalism in South Africa,* London: Pluto Press and Pietermaritzburg: University of KwaZulu-Natal Press, for more on global/domestic disjunctures.

Africa helped establish sound principles of decommodification and respect for nature, both in water catchments at home and in international talk-shops?

And instead of a New Partnership for Africa's Development considered, simultaneously, 'philosophically spot-on' by the Bush regime and ridiculous by Zimbabweans, Swazis and many other Africans hoping for pro-democracy pressure, what if Pretoria had helped establish a bottom-up African programme for recovery based upon partnerships between Africans themselves?

The reality is not only persistence in neoliberal policies, with two very minor exceptions: privatisation has only slowed not halted (mainly due to popular resistance and adverse market conditions), and the tight post-apartheid fiscal straightjacket has been loosened very slightly. In addition, the climate for debate between the centre-left ruling party and its Alliance partners - the SACP and Cosatu - on the one hand, and the independent left on the other, is still chilly. The latter still allege that the ANC adopted and continues to implement neoliberal macroeconomic and microdevelopment policies, as orthodox monetary policy is maintained, liberalisation of trade and finance proceeds apace, corporatisation of state enterprises speeds up,[105] and the ongoing attack by state service providers against low-income people continues.

To illustrate, in June 2004, Cosatu expressing confidence in the new minister of public enterprises, Alec Erwin: 'We welcome the fact that the minister has, like the president, placed the issue of employment creation at the centre of the restructuring of the State-Owned Enterprises.' But by September, the only logical reply was or unions to threaten 'the worst strike in Spoornet's history if the railway company went ahead with plans to retrench 946 employees in the next two months,' in the immediate wake of parent parastatal firm Transnet's R6.3 billion pretax loss. According to Chris de Vos, secretary-general of the Spoornet union Utatu, at his first meeting with labour in July, 'Erwin had said Spoornet as a state-owned company had the responsibility of creating jobs, not shedding them.' By the end of August, Erwin had changed position, 'saying state-owned companies were not employment agencies and that managers had to do everything possible to make businesses profitable, including cutting jobs.'[106]

Moreover, there are ongoing reports of state repression and judicial harassment against social movements which resist. *Mail & Guardian* editor Ferial Haffajee initially ridiculed as 'melodrama' the observations of Naomi Klein, who wrote of South Africa:

> There's a huge amount of struggle going on in this country. There are movements exploding. They are resisting privatisation of water and electricity, resisting eviction and demanding land reform. They are reacting against all the broken promises of the ANC. This is a security state. It spends three times as much on private security as it does on affordable housing - just to keep the rich from the poor.[107]

A month later, Haffajee's paper revealed:

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105 One of the highest-profile cases is transport. Transnet chief executive Dolly Mokgatle told the AfricaRail 2004 conference in June to 'get out from under the aura of State-owned enterprises... The days of "tunnel vision" are over. We have customers who want to catch up; some are competing with China's vibrant and growing economy... We need to look for public-private partnerships and strategic equity partners as we look for growth.' (*Creamer's Engineering News*, (2004), 'Railways should Strengthen Nation's "competitiveness"', 24 June.)

106 Faniso, M. (2004), 'Unions plan major strike if Spoornet continues axing jobs,' Business Report, 3 September.

107 Cited in Haffajee, F. (2004), 'Fact, Fiction and the New Left', *Mail & Guardian*, 11 June.

> The killing of a 19-year-old boy in Phoenix, Durban, two weeks ago by city council security guards has again cast a spotlight on the measures state authorities use against impoverished communities in protest. Marcel King was shot dead on Thursday June 24 by a member of a security company hired by the Durban council to disconnect electricity that had apparently been illegally reconnected in the impoverished Durban suburb...
>
> This incident is one of many recent clashes between state security, social movement activists and community members in suburbs in Gauteng, the Western Cape and KwaZulu-Natal. Marchers and protests are a regular feature of political life and are governed by a series of regulations governing gatherings. Most occur without incident. But several have gotten ugly recently.
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> On election day this year (14 April 2004) three Landless People's Movement activists were arrested and were detained and allegedly tortured. On Freedom Day (21 March 2004) police fired on a group of Anti-Privatisation Forum members protesting outside the Constitutional Court in Johannesburg against electricity cut-offs.[108]

There are many mores such cases, of course.[109] Moreover, if we project Pretoria's style of governance to the regional scale, it is easy to comprehend the processes of domination and exclusion that allow the South African government to exploit its semi-peripheral position within imperialism. For example, in spite of promoting the globalisation of *capital*, Pretoria is opposed to the globalisation and regionalisation of *people*, according to a recent Refugees International (RI) report:

> South Africa is denying access to political asylum to thousands of Zimbabweans seeking to escape persecution. Of the 5,000 applications for political asylum filed by Zimbabweans to date, fewer than 20 Zimbabweans have actually received political asylum in South Africa. But more troubling still is the fact that few Zimbabweans are able even to apply for political asylum...
>
> RI interviewed people who told of being asked for a bribe merely to receive a letter giving them an appointment to present their asylum claim. Police officers ask for bribes to look the other way when rounding up undocumented asylum seekers or those whose temporary permit of stay has expired. One Zimbabwean told us, 'I was stopped while walking down the street. The policeman asked for my papers but told me that for 200 Rand [U$33] he would not deport me.' At the Lindela detention center, bribes are demanded for release, while deportees can also pay to jump from the 'deportation train' on the way back to Zimbabwe...
>
> Police and Army in the border regions rely on spurious methods to identify Zimbabweans, such as asking questions in a South African language or checking which arm bears a smallpox scar. According to an NGO working in Musina, 'The

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108 Robinson, V. (2004), 'Concern at Government Violence against Protesters,' *Mail & Guardian*, 12 July.
109 Updates on independent left struggles and state repression can be found at http://southafrica.indymedia.org, http://www.ukzn.ac.za/ccs, http://www.apf.org.za, http://www.khanya.org.za, http://www.aidc.org.za, http://red.org.za and in some of the newspapers that have township coverage, though not URL links.

> police have no training. Some people are being deported because [Zimbabweans] are darker.'[110]

The best explanation for Pretoria's increasing repression of poor and working-class people both locally and regionally is growing desperation. As conceded even by Joel Netshitenzhe (government's leading ideologue) in a review of post-apartheid accomplishments, 'The advances made in the First Decade by far supersede the weaknesses. Yet, if all indicators were to continue along the same trajectory, especially in respect of the dynamic of economic inclusion and exclusion, we could soon reach a point where the negatives start to overwhelm the positives.'[111]

The negatives are formidable, and in mid-2004 took various forms combining social deprivation, economic austerity and financial vulnerability. According to Nenad Pacek of The Economist Corporate Network, 'Portfolio investments accounted for a massive 24% of South Africa's gross domestic product, and 65% of the rand's trading took place offshore.'[112] Given the strength of the currency – a July 2004 high of R5.8/US$ - that logically resulted from vast financial capital inflows beginning in late 2001, when the rand hit a low of R13.8/US$, South Africa's cumulative trade balance fell spectacularly from a US$2 billion surplus in 2003 to a deficit of US$290 million during the first half of 2004.[113]

Meanwhile, in the real productive sectors, job shedding continued unabated, notwithstanding the rise of unemployment from 15% in 1994 to 32% in 2003 (43% when frustrated jobseekers are added).[114] In spite of a minor uptick of domestic fixed investment - at 15% of GDP in late 2003, still far below the 25% required for 5% GDP growth - the official statistical agency reported that formal sector (non-agricultural) employment fell by another 41,000 in the first quarter of 2004.[115] The contrast between the economy's 'slow rotting' (in the words of frequent government consultant Stephen Gelb)[116] and the vast speculative inflow was explained by Michael Power (a Keynesian economist who writes regularly for *Business Day*):

> Take a look at the emerging market rankings in The Economist. First where we 'lead': currency strength, 1/25; lowest inflation, 3/25. Yet we lag in: gross domestic product growth, 25/25; foreign exchange reserves, 25/25; industrial production, 21/25; current account, 20/25. A little digging reveals our real interest rates, cost of capital and unemployment is among the highest; our foreign direct investment inflow is among the lowest.[117]

It is here that the core concession made by the ANC during the early 1990s transition deal is apparent, namely in the desire by white businesses to escape the economic stagnation and

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110 Refugees International (2004), 'Zimbabweans in South Africa: Denied Access to Political Asylum,' Washington, 14 June.

111 The Presidency (2003), *Towards a Ten Year Review*, Pretoria, South African Government Communication and Information Service, October.

112 Stones, L. (2004), 'Volatile Rand, Aids Deter Foreign Investors,' *Business Day*, 19 July.

113 South African Press Association (2004), 'Warship, Strong Rand help Widen Trade Deficit,' 1 August.

114 Statistics South Africa (2001), *South Africa in Transition*, Pretoria, for 1995, and Statistics South Africa (2003), *Labour Force Survey, September 2002*, Pretoria, p.iii for 2002.

115 Webb, B. (2004), 'SA Investment Appears to be on Track,' South African Press Association, 16 July.

116 Gelb, S. (2003), 'Inequality in South Africa: Nature, Causes and Responses,' DfID Policy Initiative on Addressing Inequality in Middle-income Countries, Johannesburg, The EDGE Institute, November.

117 Power, M. (2004), 'Strong Rand is Stairway to Ruin,' *Business Day*, 16 July.

declining profits born of a classical organic capitalist crisis, in the context of a sanctions-induced laager, and amplified by the 1970s-80s rise of black militancy in workplaces and communities.

The deal represented simply this: black nationalists got the state, while white people and corporations could remove the bulk of their capital from the country, and simultaneously remain domiciled in South Africa with, thanks to economic liberalisation, still more privileges. Trade, credit, cultural and sports sanctions ended; exchange controls were mainly lifted; luxury imports flooded in; white people's incomes rose by 15% during the late 1990s; taxes were cut dramatically; and the corporate pre-tax profit share soared during the late 1990s, back to 1960s-era levels associated with apartheid's heyday.

Hence inequality soared during ANC rule, even state statistics show. Black 'African' South Africans suffered an income crash of 19% from 1995-2000, with every indication of further degeneration in subsequent years. The ANC rebuttal is that when state spending is accounted for, the divergence is reversed. Yet notwithstanding deeper poverty, the state raised water and electricity prices, to the point that by 2002 they consumed 30% of the income of those households earning less than $70 per month.[118] An estimated 10 million people had their water cut off, according to two national government surveys, and 10 million were also victims of electricity disconnections. In June 2004, even the director-general of the water department admitted, '275,000 of all households attributed interruptions to cut-offs for non-payment last year,' a shocking record in view of the ANC's 2000 local government election promises of 'free basic services' covering water and sanitation, electricity and other municipal functions.[119] The higher cost of services reflects the permanent contradiction between big-business advocates of essentially neoliberal development policies, and well-mobilised activists.

Conclusion: Stormy days to come

There is no South African model to lift Africa out of its socio-economic doldrums, and no heroic Nkrumahist figure to coordinate other elites into a progressive, good-governance mode of political behaviour. Frustrated Zimbabwean democrats know this best, but so do the tens of thousands of South Africans who periodically mobilise in dramatic protest against Pretoria's policies.

In sum, it should be clear that Mbeki's agenda is not that of the majority of Africans or South Africans. If the largely parasitical – not development-oriented - Johannesburg corporations profit from Nepad's legitimation of neoliberalism and lubrication of capital flows out of African countries, these flows mainly end up in London, where Anglo American Corporation, DeBeers, Old Mutual insurance, South African Breweries and others of South Africa's largest firms re-listed their financial headquarters during the late 1990s. And if Mbeki and his colleagues are benefiting from the high profile provided by Nepad and a variety of other global-managerial functions, the real winners are those in Washington and other imperial centres who, increasingly, require a subimperial South African frontman for the ongoing superexploitation and militarisation of Africa.

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118 Statistics South Africa (2002), 'Database on Expenditure and Income, 2000', Pretoria.
119 Muller, M. (2004), 'Keeping the Taps Open,' *Mail & Guardian*, 25 June.

So it is to the activists that we must again turn, in conclusion. Since the first edition was completed in June 2002, there have been more developments in the African Social Forum and other networks and coalitions, aiming at ultimately displacing neoliberal Nepad arguments and replacing them with social justice, ecological sensitivity, the reversal of patriarchy, and finally, genuine economic progress. The most spectacular manifestation of the conflict between the top-down and bottom-up approaches was probably the August 31, 2002 march of more than 20,000 activists from impoverished Alexandra Township to the Sandton Convention Centre. One of the two central slogans of the historic march was 'Phansi Nepad!'

But Nepad's core content also continues to be rejected in a myriad of ways, and alternatives are being established by the masses of Africans in the course of their struggles. For example, in 2004, activists in the Africa Trade Network soundly rejected the liberalisation agenda, especially Economic Partnership Agreements between Africa-Caribbean-Pacific (ACP) countries and the European Union, and instead called for trade cooperation that:

- is based on a principle of non-reciprocity, as instituted in General System of Preferences and special and differential treatment in the WTO;
- protects ACP producers domestic and regional markets;
- reverses the pressure for trade and investment liberalisation; and
- allows the necessary policy space and supports ACP countries to pursue their own development strategies.[120]

On financial matters, African resistance movements also regularly voice anger. One striking example was the February 2004 stayaway called by the Zambia Congress of Trade Unions, in which half a million workers rejected a civil service wage freeze promoted by the IMF, demanding instead a minimum wage and other budgetary concessions.[121]

More generally, a June 2004 Cape Town meeting of Jubilee Africa members from Angola, Cameroon, Cote d'Ivoire, the DRC, Kenya, Mozambique, South Africa, Swaziland, Zambia, Tanzania and Zimbabwe, and partners from Brazil, Argentina and the Philippines worked on a comprehensive Illegitimate Debt Audit. They 'expressed deep concern with South Africa's sub-imperialist role and its use of Nepad to promote the neoliberal paradigm to further dominate the rest of the African continent politically, economically, culturally and militarily, serving the interests of transnational corporations.' The groups demanded:

- full unconditional cancellation of Africa's total debt;
- reparations for damage caused by debt devastation;
- an immediate halt to HIPC and PRSPs and the disguised structural adjustment program through Nepad and any other agreements that do not address the fundamental interests of the impoverished majority and the building of a sustainable and sovereign Africa; and
- a comprehensive audit to determine the full extent and real nature of Africa's illegitimate debt, the total payments made to date and the amount owed to Africa.[122]

120 http://www.mwengo.org/acp/statements/default
121 SouthScan (2004), 'Massive Strike Against Austerity Plan,' 24 February.
122 http://www.aidc.org.za

Not only do the left forces oppose Nepad, they also openly call for their finance ministers to default on the illegitimate foreign debt. They advocate not only kicking the World Bank and IMF out of their countries, but also international strategies for defunding and abolishing the Bretton Woods Institutions. US groups like Center for Economic Justice and Global Exchange work with Jubilee South Africa and Brazil's Movement of the Landless, amongst others, to promote the 'World Bank Bonds Boycott', asking of their Northern allies: is it ethical for socially-conscious people to invest in the Bank by buying its bonds (responsible for 80% of the institution's resources), and to receive dividends which represent the fruits of enormous suffering? Other examples of what is being termed 'deglobalization' include the successful effort to deny Trade-Related Intellectual Property Rights status to AIDS medicines, to keep GMOs out of several Southern African agricultural markets, and to reject French and British water privatisers. To these ends, the African Trade Network and the Gender and Trade Network in Africa put intense pressure on the continent's delegates to reject the WTO's Cancun proposals. And with the US and EU offering no concessions on matters of great importance to Africa, bilateral or regional trade deals are also resisted by both civil society groups and African governments.

There are many more such reflections of latent African anti-capitalism, which Frantz Fanon would celebrate.[123] On a more local level, inspiring examples of what might be termed 'decommodification' are underway in Africa, especially South Africa. There, independent left movements have struggled to turn basic needs into human rights: anti-retroviral medicines to fight AIDS and other health services; free water (50 liters/person/day); free electricity (1 kiloWatt hour/person/day); thorough-going land reform; prohibition on services disconnections and evictions; free education; and even a 'Basic Income Grant,' as advocated by churches and trade unions. The idea is that all such services should be provided to all as a human right, and to the degree that it is feasible, financed through imposition of much higher prices for luxury consumption.

Because the commodification of everything is still underway in South Africa, this could provide the basis for a unifying agenda for a widescale movement for fundamental social change, if linked to the demand to 'rescale' many political-economic responsibilities that are now handled by embryonic world-state institutions under the influence of neoliberal US administrations. The decommodification principle could become an enormous threat to imperial capitalist interests, in the form of a denial of private intellectual property (such as AIDS medicines), resistance to biopiracy, the exclusion of GM seeds from African agricultural systems, the nationalisation of industries and utilities, or the empowerment of African labour forces.

To make any progress, delinking from the most destructive circuits of global capital will also be necessary, combining local decommodification strategies and tactics with the call to close the World Bank, IMF and WTO. Beyond that, the challenge for Africa's progressive forces, as ever, is to establish the difference between 'reformist reforms' and reforms that advance a 'non-reformist' agenda. The latter would include generous social policies stressing decommodification, and capital controls and more inward-oriented industrial strategies allowing democratic control of finance and ultimately of production itself. These sorts of

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123 For more on the African left, see Fisher, J. (2002), 'Africa,' in E.Bircham and J.Charlton, eds., *Anti-Capitalism: A Guide to the Movement*, London, Bookmarks; Zeilig, L. (Ed)(2002), *Class Struggle and Resistance in Africa*, Cheltenham, New Clarion; Bond, *Talk Left, Walk Right,* Chapter Twelve; and Ngwane, T. (2003), 'Sparks in Soweto', *New Left Review,* 21.

reforms would strengthen democratic movements, directly empower the producers, and, over time, open the door to the contestation of capitalism itself.

Not only does imperialism stand in the way, however, so do Pretoria's various subimperial barriers. Notwithstanding occasionally leftist rhetoric and the world-historic damage inflicted by US empire, Mbeki and his colleagues are situating South Africa as the continent's leading bourgeois-aspirant country, parallel to what Frantz Fanon so poignantly described as the stunted 'national bourgeoisie' of a post-colonial African state, i.e., the modern equivalent of an old Bantustan, where the coopted elite prosper under conditions of global apartheid. Fanon's warning about 'the pitfalls of national consciousness' is also a conviction that the instincts of social justice amongst ordinary people cannot be repressed forever.

As Fanon wrote *The Wretched of the Earth,* the inexorable force of anti-colonial consciousness, and the relationship of material grievances to organisational energy, were aligned in a potentially revolutionary way. And indeed, more than four decades later, it is too easy to be despondent about the failure to establish a unified Africa-wide strategy to combat imperialism, neoliberalism, patriarchy, ecological degradation and so many other problems. Fanon's 1961 warning is also a promise to us all:

> The peoples of Africa have only recently come to know themselves. They have decided, in the name of the whole continent, to weigh in strongly against the colonial regime. Now the national bourgeoisies, who in region after region hasten to make their own fortunes and to set up a national system of exploitation, do their utmost to put obstacles in the path of this 'Utopia.' The national bourgeoisies, who are quite clear as to what their objectives are, have decided to bar the way to that unity, to that coordinated effort… to triumph over stupidity, hunger, and inhumanity at one and the same time. This is why we must understand that African unity can only be achieved through the upward thrust of the people, and under the leadership of the people, that is to say in defiance of the interests of the bourgeoisie…
>
> The former colonial power increases its demands, accumulates concessions and guarantees and takes fewer and fewer pains to mask the hold it has over the national government. The people stagnate deplorably in unbearable poverty; slowly the awaken to the unutterable treason of their leaders. This awakening is all the more acute because the leaders are incapable of learning its lesson. The distribution of wealth that it effects is not spread out between a great many sectors; it is not ranged among different levels nor does it set up a hierarchy of half-tones. The new caste is an affront all the more disgusting in that the immense majority, nine-tenths of the population, continue to die of starvation. The scandalous enrichment, speedy and pitiless of this caste is accompanied by a decisive awakening on the part of the people, and a growing awareness that promises stormy days to come.[124]

124 Fanon, F. (1963)[1961], *The Wretched of the Earth*, New York, Grove Press, pp.164,166.