

TRANSFORMATION OR PRESERVATION?
THE NATURE OF CAPITALISM IN POST-APARTHEID SOUTHERN AFRICA

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FIRST DRAFT

Abstract:

This paper provides a historical analysis of persistent problems with underdevelopment and uneven development in Southern Africa by examining pre- and post-liberation trajectories in South Africa, Zimbabwe and Botswana. The aim is to understand how capitalism in Southern Africa impacts struggles to transform social and economic relations in the pursuit of broad-based and sustained improvements in human and natural well-being. The core assumption is that an 'unreconstructed' or blandly reformed kind of capitalism will merely entrench inequalities and unacceptable levels of underdevelopment and that, unfortunately, this is essentially the only kind of 'vision' on offer from the region's political leaders. Generations of uneven development, combined with neo-liberal economic reform by largely accommodationist post-liberation governments constrained by an increasingly competitive global economy produces converging pressures on states and peoples to accept 'the market' (and now more often international finance) and its harsh demands as the *sine qua non* of any feasible socio-economic system. These pressures make it very difficult for the 'targets of development' to formulate and implement independent strategies suited to their own particular needs and explain why political transitions to independence and nominal democracy have not produced radical socio-economic transformations. An increasingly bifurcated debate, at elite and civil society levels, on the region's future ensures that struggles against capitalism and the exclusion of the region's peoples from a stake in decision-making are again renewed across Southern Africa.

Capitalism is not a success. It is not intelligent, it is not beautiful, it is not just, it is not virtuous - and it doesn't deliver the goods. In short, we dislike it, and we are beginning to despise it. But when we wonder what to put in its place, we are extremely perplexed. – John Maynard Keynes

Capitalism and development

As anticipated by Keynes (writing in the *Yale Review* in 1933) on the eve of Europe's descent into a second phase of the collective madness initiated by World War I, during which Lenin wrote his influential pamphlet *Imperialism: The Highest Stage of Capitalism*, capitalism remains the central organizing principle of economic and, increasingly, social activity worldwide. Having weathered the storm of fascist and Stalinist challenges, global capitalism has seemingly shrugged off the deepening of poverty and inequality affecting a large majority of the world's population ever since. Attempting to understand how poor people's aspirations for a better life clashes with the capitalist imperatives of accumulation and profit, this paper examines how capitalism in Southern Africa has shaped, and has itself been shaped by, the region's political transitions over the last several decades. It does so by considering general post-liberation trajectories in Botswana, Zimbabwe and South Africa in a historical context. The aim is to understand how capitalism in Southern Africa impacts struggles to transform the region's social and economic relations in the pursuit of broad-based and sustained improvements in human and natural well-being.¹

The core assumption here is that an 'unreconstructed' or blandly reformed kind of capitalism will merely entrench South Africa's inequalities and unacceptable levels of underdevelopment and that, unfortunately, this is essentially the only kind of 'vision' on offer from the region's political leaders (although what, precisely, is 'on offer' in Zimbabwe is presently not clear at all). Despite heady liberation rhetoric, the region's post-liberation governments have (with the notable exception of Zimbabwe in recent years) remained largely accommodating to the demands by international and local capital for continuity in state-market-society relations. Consequently, the increasing integration of a Southern African region characterized by uneven development into the global world economy as currently constituted along neo-liberal lines will exacerbate the region's severe social and economic problems (Andreasson 2003). This is not simply a process of 'betrayal' on part of the post-liberation governments; long-established (economic) forces work against the many social and economic changes that those leading the liberation struggles thought, perhaps in earnest, that they would be able to bring about. The region, therefore, constitutes a particularly good case study for understanding both the destructive aspects (socially, environmentally) of global capitalism and the difficulties in organizing alternatives to the capitalist system in which these problems originate.

Thus the paper addresses the fundamental 'developmental dilemma' in Southern Africa: how generations of uneven development, symptomatic of the region's historical evolution and its political economy – the *greater apartheid system* – combined with the increasingly competitive global economy and its attendant strictures of neo-liberal economic reform produce converging pressures on states and

peoples to accept 'the market' (and now more often international finance) and its harsh demands as the *sine qua non* of any feasible socio-economic system. These pressures make it very difficult for the 'targets of development' to formulate and implement independent strategies suited to their own particular needs. Such an environment does not encourage serious consideration of issues such as social harmony and sense of belonging – what is in the African context usually encompassed by the concept of *ubuntu* – ecological sustainability or other aspects of acceptable living conditions not easily incorporated in orthodox economic accounts of development. Continued social, political and economic marginalisation of peoples, and indigenous sources of knowledge and legitimacy, explains why political transitions to independence and nominal democracy have not produced radical socio-economic transformations.

Reform or revolution?

For a genuine socio-economic transformation to occur, capitalism must itself be transformed and, eventually, transcended. Although a project seriously derailed by the late twentieth-century, not least by the gross transgressions of those states and rulers claiming to lead the building of 'really existing' socialism, struggles against capitalist exploitation remain on the agenda, the efforts of its proponents renewed, in the twenty-first century. Such efforts are imagined, retold and examined in a rich vein of recent scholarly work, ranging from Saul's (2005) writings on 'the next liberation struggle' in Southern Africa and Moyo and Yeros's (2005) chronicling of resurgent movements to reclaim land across the Global South, to De Angelis's (2007) anthropological-economic account of contemporary social struggles against global capital and Budgen et al.'s (2007) re-examination of the 'idea' of Lenin and the potential for revolutionary thought and action in the twenty-first century.

Despite continued marvelling at economic growth rates in countries like India and China (from whence Western leaders return with tales of uncompromising competition and danger than can only be met by a ratcheting up of the pressures to conform to market forces at home) that seldom translate in to sustained improvements for the poor (Wade 2004), the continued immiseration of peoples across the Global South makes the hubris and arrogant triumphalism on part of the global markets' most avid supporters seem foolhardy indeed. While Friedman (2006) comes to the startling conclusion that the world 'is flat' (i.e., globalization lowering transaction costs, thus providing increasing opportunities for enrichment) while playing golf in Bangalore, India's high-tech oasis, tens of thousands of the nation's peasants are committing suicide due to the stress and hopelessness of their marginal existence that is furthermore exacerbated by pressures of globalization (Shiva 2004). From the imperialist, indeed quasi-fascist², fantasies of a future United States hegemony (including military 'full-spectrum dominance') in the neo-conservative Project for a New American Century³, to nuclear brinkmanship in Iran, a powerful state-led and populist challenge to American dominance and entrenched capitalist power structures in Venezuela and a re-emergence of nationalistic and militaristic authoritarianism in Russia, Fukuyama's 'end of history' (1992) never seemed more distant. These are all struggles related to a global competition for the control over natural resources, development and the ability to define the future of power-relations in an increasingly volatile post-Cold War era (cf. Harvey 2003).

Yet, the difficulty of challenging the received wisdom of our age should not be underestimated:

At a time when global capitalism appears as the only game in town and the liberal-democratic system as the optimal political organization of society, it has indeed become easier to imagine the end of the world than a far more modest change in the mode of production. This liberal-democratic hegemony is sustained by a kind of unwritten *Denkverbot*... The “return to ethics” in today’s political philosophy shamefully exploits the horrors of the Gulag or the Holocaust as the ultimate scare tactic for blackmailing us into renouncing all serious radical commitment. In this way, the conformist liberal scoundrel can find hypocritical satisfaction in their defense of existing order: they know there is corruption, exploitation, and so forth, but they denounce every attempt to change things as ethically dangerous and unacceptable, resuscitating the ghost of totalitarianism (Budgen et al. 2007: 1-2).

Pace Luxemburg’s (1970) argument for revolution, against reform – the consideration of whether capitalism can overcome its internal contradictions – the arguments put forth here align with contemporary critiques of capitalism suggesting that reform is in itself not a sufficient force for transformation. Indeed, the evidence of persistent underdevelopment, most obviously manifested in mass poverty and attendant suffering and death, worldwide is not an indication of the ‘failure’ of global capitalism:

On the contrary, poverty is proof of the ‘good health’ of the capitalist system; it is the spur that stimulates new efforts and new forms of accumulation. To put it differently, economic growth – widely hailed as a prerequisite to prosperity – takes place only at the expense of either the environment or human beings (Rist 2007: 489; cf. Seabrook 1998).⁴

While the need for revolution rather than reform is obviously not a new idea, the question of how to think perceptively about transcending developmental dilemmas posed by capitalism in Southern Africa today must allow for, and facilitate, novel ways of conceptualising and criticising the problem and reconnecting with its historical origins. In doing so, it is necessary to bring the post-developmental critique of the concept of development itself into the analysis. On its own, the traditional Marxist critique of liberalism, where a transition to socialism results in radical redistribution of goods and the eventual dissolution of class and state, is not sufficient for bringing about a real transformation in well-being as is now recognized by a range of contemporary neo-Marxist analyses that adopt a ‘red-green’ perspective on development (Andreasson 2005b: 63-65). After all,

while Marx proposed a remarkable *internal critique* of the Western system, he did not succeed in making a critique *of* the Western system. “Development of the productive forces” was the common objective of capitalism and socialism, even if, as [Enrique Fernando] Cardoso stressed, the benefits were not distributed to the same classes ... [Hence the failure to] consider the cultural aspects of “development,” or the possibility of models resting upon different

foundations, or the ecological consequences of treating industrialization as necessary to collective well-being (Rist 2002: 121).

One way of articulating a new way of thinking about improvements in well-being that move beyond orthodox strategies of the industrial era is by, firstly, clarifying the challenges posed by Southern Africa's particular capitalist formations and, secondly, by asking whether capital, when officially 'democratized' and 'deracialized', becomes a potential agent of transformation, or whether deeply entrenched historical processes of accumulation prevail so that capital remains a key guarantor of continued elitist privilege and inequality. The latter course is by no means exceptional, as suggested by Alexander's (2003) analysis of post-liberation South Africa as an 'ordinary country' and by Habib and Kotzé's (2004: 266) argument that 'the post-apartheid era has witnessed the "normalisation" of South African society in a neo-liberal global environment'. Similar trajectories of increasing inequality can be observed in racially divided Brazil, post-Soviet Russia and market-reforming China. These trajectories constitute the empirical manifestation of what Seers (1963) termed the 'general case' of persistent underdevelopment in the Third World which ran counter to the expectations of Modernization theory. This 'general case' stands in sharp contrast to the unique experience of broad-based development in the post-WWII European social democracies and East Asian 'Tigers' (a window of opportunity now likely closed to the poorest and most unevenly developed countries), constituting Seers' 'special case' from which economists have been all too prone to draw conclusions about 'how economies work' globally.

Two critiques of capitalism

Two strands of contemporary critiques of capitalism are relevant for assessing the nature of capitalism and prospects for development in Southern Africa. The first is a critique, Marxist in origin, which emphasizes the continuation of both primitive and capitalist forms of accumulation in Southern Africa today; that is, capital's continued capacity to 'loot' (Bond 2006).⁵ From the international looting of natural resources in the Congo to the violent reshuffling of ownership and exploitation that is a central feature of Zimbabwe's 'Third *Chimurenga*', the interaction between violence, coercion and accumulation remains similar to what Luxemburg (1951) described at the height of an earlier era of economic globalization as a (colonial) policy of 'force, fraud, oppression, looting ... openly displayed without any attempt at concealment', therefore requiring a considerable effort 'to discover within this tangle of political violence and contests of power the stern laws of the economic process'. The key issue here is continuity into the post-liberation era of old forms of economic and social exploitation that originate in the African context with imperialism and colonial conquest, later exacerbated by grafting the harsh processes of the early industrial revolution in Europe onto African societies (Andreasson 2006a).⁶

The second is a critique that finds its origins in post-development theory (e.g., Rahnema and Bawtree 1997; Matthews 2004) and thus poses a fundamental challenge to growth and accumulation-based orthodox theories of development, Liberal and Marxist alike (Andreasson 2005b). From this point of view, the entire post-WWII development project, the 'Era of Development' (Rist 2002), has been a failure and could not be otherwise given the unrealistic assumptions and promises of

‘development for all’ upon which it was based (cf. Escobar 1995). According to Rist’s analysis of ‘development as a buzzword’:

The height of absurdity was reached when the Bruntland Commission (WCED 1987) tried to reconcile the contradictory requirements to be met in order to protect the environment from pollution, deforestation, the greenhouse effect, and climatic change, and, at the same time, to ensure the pursuit of economic growth that was still considered a condition for the general happiness (Rist 2007: 487).

The challenge, theoretically speaking, is showing how a critique of capitalism that accepts the Marxist argument regarding capitalist accumulation and exploitation can engage and combine with the post-development notion of failure of development and the fundamentally unworkable assumptions about growth-led development.

The political economy of Southern Africa

Southern Africa constitutes a distinct political and economic sub-system in Africa⁷, sharing some points of reference with colonial experiences elsewhere in Africa but also with other regions characterised by uneven development, very high levels of socioeconomic inequality and racial/societal divisions (e.g., Latin America). It is ‘probably the world’s most extreme site of uneven capitalist development’ according to Bond (2001: 31), with its ‘most pronounced economic realities’ being ‘South Africa’s economic hegemony and the unequal level of development among and within [its] states’ according to Lee (2003: 62). The region has been profoundly shaped by European settler colonialism from the seventeenth century onward, and most obviously by the period of large scale industrialisation beginning with the discovery of diamonds and gold in nineteenth-century South Africa and the subsequent development of a *greater apartheid system* of race-based oppression and exploitation (Stadler 1987).⁸ While recognizing that historical economic and political developments across the region include significant national variation, it is nevertheless appropriate to speak of important developments that transcend national boundaries. Commercial farming and the ‘minerals-energy complex’, to use Fine and Rustomjee’s (1996) description of the post-war South African political economy, constitute distinct and important influences on the region and its peoples as a whole.

Setting the Southern African experience apart from the European one, and indeed the experiences of other African regions less impacted by forces of modern industry and farming (i.e., settler colonialism), the process of industrialization in Southern Africa is inextricably intertwined with continued degrading of the rights of Africans – Stadler’s (1987: 34) ‘special circumstances of industrialisation’.

During the last quarter of the nineteenth century and the first few decades of the twentieth, a pattern of coerced labour was established which precluded the extension of political rights on the pattern followed in England, France and the United States ... indeed, the most significant effect of the labour system on politics was that political rights acquired by Africans and other racial groups during colonial times [hardly a great success story in itself] were dismantled

during the period of industrial growth and development in the twentieth century (Stadler 1987: 34; cf. Trapido 1971).

For Africans more generally, European imperialism was a driving force of the continent's modern transformation. As noted by Tanzania's Nyerere: 'for Lenin imperialism was the last stage of capitalism, but for us in Africa it was the first' (quoted in Bernstein 2005: 68).

Nowhere was the link between imperial capital, local settler populations and their African neighbours-*cum*-helots more obvious than in Southern Africa following the discovery of rich mineral deposits and the emergence of a global economic interest in the region's potential wealth. According to Beinart, on discussing the problem of reading the history of South Africa through the lens of European presence and agency:

Markets, empire, industry, capital, railways, and political union in 1910 were the new motors of change. None of these forces had to do simply with white or black, but in dealing with them the agency of the settler and metropolitan worlds must be emphasized (Beinart 2001: 9).

The discoveries of diamonds in Kimberley and on gold the Witwatersrand, followed by industrialisation and urbanization, would necessitate new, more innovative and devious ways of dispossessing Africans of their livelihoods, so as to produce a dependent and easily exploitable pool of labour for, initially, European farms and, later, the mines and a menial urban service industry. These were policies culminating in the administrative arrangement called *apartheid* following the National Party's victory at the white-only polls in South Africa in 1948. *Apartheid* constituted the codification, expansion and intensifying of previously racially discriminatory legislation known by Africans region-wide, a policy built in South Africa on 'the foundations of the segregationist legacy laid by Rhodes and Milner, Kruger and Shepstone, Hertzog and Smuts' (Beinart 2001: 143).⁹ Similarly in Zimbabwe, the increasing exploitation of Africans was driven by commercial transformation of agriculture and industry, most obviously linked to the South African experience via Cecil Rhodes's British South Africa Company (cf. Bond 1998: 39-42). The link to socio-economic transformation and increasing exploitation in Botswana is perhaps less obvious. But in this case, too, the peoples of the Bechuanaland Protectorate, ruled by Europeans in the 'Imperial Reserve' in Mafeking, South Africa, were increasingly incorporated into the migrant labour system designed to supply South African farms, mines and factories (Parson 1985: 40).¹⁰

Economic and political/legal means alike were employed in this process of dispossessing Africans and consolidating the fundamental structures of modern inequality and uneven development. Revisiting Sol Plaatje's great political account, *Native Life in South Africa*, on the modern-day (but by no means first) origins of systematic dispossession of African lands,¹¹ the novelist Bessie Head rightly suggests that

[i]t is possible that no other legislation has so deeply affected the lives of black people in South Africa as the Natives' Land Act of 1913. It created overnight a floating landless proletariat whose labour could be used and manipulated at

will, and ensured that ownership of the land had finally and securely passed into the hands of the ruling white race. On it rest the pass laws, the migratory labour system, influx control and a thousand other evils which affect the lives of black people in South Africa today (Plaatje 1982: ix).¹²

This lament on pondering the ominous 1913 legislation haunts politics and people in South Africa, and across the former Southern African settler colonies, to this day. Systematic dispossession of African peoples by European settlers produced extreme inequalities and resulted in serious impediments for socioeconomic development in the region (Bundy 1982: 228-230; Feinstein 2005: 43-46). Thus Plaatje (1982: 21): ‘Awakening on Friday morning, June 20, 1913, the South African native found himself, not actually a slave, but a pariah in the land of his birth’.

These, then, are the economic and social foundations of imperialism and settler colonialism from which the region’s various liberation movements and post-liberation governments have attempted to wrest control of their own destinies. Echoing the Biblical dictum in the *Gospel of Matthew 6:33*, which Ghana’s Nkrumah paraphrased as ‘Seek ye first the political kingdom, and all else shall be added onto you’, the political break with white minority rule became understood as the rupture from which opportunity to promote socio-economic transformation would emanate. While the ‘legacy of *apartheid*’ is well recognized by governments and policy-makers throughout the region, and while historical factors generally feature permanently in accounts for why genuine improvements in the lives of the region’s inhabitants have been so difficult to achieve (e.g., Hirsch 2005: 9-28), there is an important sense in which the relationship between political developments following liberation and historical processes of exploitation and underdevelopment is misconstrued.

Rather than taking every opportunity to rectify and mitigate the consequences of pre-liberation era policies of exploitation, governments and their lobbyists find themselves, for a variety of reasons, pursuing and promoting policies which exacerbate the very problems liberation was supposed to overcome. From Zimbabwe’s structural adjustment policies to South Africa’s quasi-liberal Black Economic Empowerment (BEE) scheme and the paternalistic and increasingly non-transparent rule in Botswana, a disturbing trend is discernible: post-liberation policies have contributed to increased social fragmentation rather than healing of communities; marginalization of the poor continues despite the granting of political rights (such as the advent of universal suffrage which is rightly celebrated as a triumph of liberation); financial policies ensure increased exposure to the volatility of global markets for the workers and poor who are least able to cope with such forces; there is a deepening of inequalities between (urban) elites with political connections and the (rural) poor whose voice can too often be taken for granted or simply ignored.

On this reading, the advent of liberation, for all its important political gains and the potential of further improvements across a wide range of issues that such a transition entails, was not so much a break with the instruments of the region’s political economy of underdevelopment as it was a reorganization of the administrations of such instruments, with disastrous consequences, both intended and unintended, for its inhabitants.¹³ On this account, both external and domestic elite actors, exiting and entering rulers and captains of industry alike, share a responsibility for what Saul (2001) terms South Africa’s ‘post-apartheid denouement’ and what

Bond (2001: xi) describes as shining, rather than breaking, the chains of global *apartheid* – a failure to deliver on the promises of liberation, the implications of which are reflected in people's experiences of relentless hardships across the region.

The nature of capitalism in present day Southern Africa

If the twentieth century in Southern Africa was an era in which European settler control over land, labour, production and finance was consolidated at the expense of Africans, the beginning of the twenty-first century represents a time in which post-liberation governments grapple with how to pursue socio-economic development by increasingly making Africans beneficiaries of economic growth, job creation and consumption – thus, as per the ANC slogan, delivering 'a better life for all'. Political elites across the region have enjoyed long periods of relative stability in terms of their ability to govern with relative autonomy from domestic opposition. The Botswana Democratic Party (BDP) and the Zimbabwe African National Union – Patriotic Front (ZANU-PF) have governed without interruption since independence in 1966 and 1980 respectively. The ANC has governed South Africa unchallenged since 1994 and is likely to do so in the foreseeable future as well.¹⁴

This political stability, which was only seriously challenged in Zimbabwe from the late 1990s onward, has provided the region's leaders with ample opportunity to re-negotiate relationships between states, capital and society. Largely, however, elite 'pacting' between entrenched capitalist actors and the incoming African political class has remained the order of day with majority populations still marginalized, if for somewhat different reasons now than before.¹⁵ While entrenched structures of (white) capitalist power have weathered the storm of political transition rather effectively, all governments in the region have to some degree pursued policies of indigenization, or black empowerment. African capitalist elites, whether they have taken advantage of a genuine opening of opportunities to compete on a more level playing field produced by independence and democracy or have merely relied on state cronyism in a parasitic fashion, have emerged as important actors in their own right, and local and multinational corporations have responded by accommodating their interests and demands accordingly (Andreasson 2007a).

Linking regional trajectories to global developments, the changing patterns of capitalist exploitation and composition of regional capitalist elites are most appropriately examined in an international context where, following decades of disruption due to struggles for national liberation and isolation due to *apartheid*, a new era of globalization has arrived. Economic globalization is obviously not a new phenomenon, in Southern Africa or anywhere else (Arrighi 1996; Waltz 2000). Thus any discussion of contemporary characteristics and effects of globalization in the region must be understood as part of a longer process of incorporation into an international system of capitalism. Some features of today's economic globalization, primarily the drive for increasing deregulation, privatisation and exposure to the volatility of global financial markets and trade may differ, primarily in terms of technological means, from bouts of globalization in the past (cf. Koelble and LiPuma 2006). Yet some aspects of this process are very similar to an earlier era in which the region's corporate giants – none more so than Anglo American and De Beers – placed

Southern Africa squarely on the global economic map and firmly in the minds of *haute finance* (cf. Innes 1984).¹⁶

This 'new' era of economic globalization provides both opportunities and constraints for capitalist accumulation in the region, with the impact on development being generally negative. Examination of the contemporary nature of capitalism in Southern Africa must therefore be cognizant not only of the potentially transformative power of national liberation, the end of *apartheid* and an ongoing process of 'relinking' the region with a global economy increasingly characterised by financialization.¹⁷ It must also acknowledge the preservative power of the region's historical legacy, in particular the political economy of *apartheid* which continues to shape the aspirations of capitalists and politicians alike – themselves not mutually exclusive categories (e.g., Adam et al. 1998; Andreasson 2006b).

Indeed, the difficulty in facilitating the emergence of a post-liberation 'patriotic bourgeoisie', the class foundation on which nationalist market-advocates argue a genuine national developmental project can be built, features prominently in explanations of the difficulty in delivering on promises for broad-based development (cf. Southall 2004). Emerging African capitalist elites in the region have all too often been dependent on the ability to extract largesse and 'rents' from established capital actors by means of their increased post-liberation political power, as in South Africa and Zimbabwe, or reliant on traditional sources of authority and the diamond deposits that are exploited in collaboration with powerful multinationals like De Beers in Botswana. Even if capitalist development could mitigate against some of the more debilitating consequences of extremely uneven development in Southern Africa, just as the emergence of a national bourgeois development project produced rapid socio-economic development in several East Asian countries in the post-WWII era, the particular nature of the new capitalist groupings in Southern Africa, similar to a comprador class rather than a patriotic bourgeoisie (Andreasson 2007a: 277), is hardly comparable to the previous era of rapid capitalist development in the East Asian 'developmental states' (Andreasson 2007b).

Following an accommodationist path

There are many reasons for the lack of transformation in Southern Africa. They range from cooptation of incoming elites during transitions to independence, the ability of entrenched capital actors (and in case of Botswana traditional rulers) to continue exerting control, external pressures relating to the collapse of the 'Second World' which mitigated against local challenges to market dogma, the turning of transformation strategies into elite enrichment schemes (most obviously in Zimbabwe and South Africa; less so in Botswana), and the lack of a coherent challenge of the fundamental logic of capitalism. Across Southern Africa, particularly in the countries selected for examination here, the political transitions from colonial or minority rule (Botswana 1966, Zimbabwe 1980, South Africa 1994) can, on the whole, be characterized by a somewhat remarkable degree of continuity rather than rupture and transformation of state-market-society relations.

The conservative nature of transition is perhaps least surprising in the case of Botswana where a 'benign' imperial rule (relative to the experiences of the

neighbouring countries) interacting with a traditional rural-based Tswana elite produced a by regional standards unremarkable path to independence (Picard 1985: 13-17). On the other hand, the post-independence period was in many ways quite remarkable, by African post-independence standards generally, in terms of prudent economic management, consistent development policymaking and political stability that undoubtedly provided a significant improvement in living standards for many Batswana (Samatar 1999). All of these developments, however, did take place within the strict limits of the elitists and paternalistic political system deeply enmeshed in the regional realities of persistent inequality and marginalization of the poor (Good 1999).

The 'pacted' or 'elite' transition in South Africa has been described in detail by both liberal and socialist scholars (e.g., Waldmeir 1997; Bond 2000). Early contacts between white capital and the ANC in the 1980s initiated a transition that produced a new, majority-dominated political order while securing property rights and economic influence of the privileged, and at that time almost exclusively white, minority (Marais 1998: 92). What is less often acknowledged, however, is how the ANC movement's bourgeois leadership, always in uneasy alliance with communists and other radical organizations (Roux 1964; Benson 1966), throughout the twentieth century promoted a relatively conservative, nationalist liberation struggle the logic of which mitigated against any fundamental post-liberation socio-economic transformation for the poor majority (although the transformation was certainly in some aspects overwhelming for both white and black elites).

As argued forcefully in McKinley's (1997) biography of the ANC, the ANC's ambivalence towards radical working-class politics, what McKinley (1997: 21) terms an 'accommodationist strategic approach to liberation', was evident even in the creation of the Freedom Charter. Proclaiming a commitment to democracy, equal rights, economic justice, equality, human rights, learning and peace, the spirit of the document inspired a generation of anti-*apartheid* activists.¹⁸ However,

[t]he ambiguity in the Charter's clauses meant that the ANC Alliance could claim that their strategic approach was simultaneously a predominantly nationalist anti-*apartheid* umbrella for all social forces and a revolutionary struggle for radical socioeconomic transformation. The main problem was that the ANC's desired end, as expressed by Mandela, contained no requirement for the means needed to fulfil the second claim (McKinley 1997: 22).¹⁹

The notion of continuity in pre- and post-liberation relations between state and capital is perhaps more controversial in the case of Zimbabwe's transition, following the Rhodesian Unilateral Declaration of Independence in 1965 and the 1970s war of national liberation resulting in an independent Zimbabwe by 1980. Yet, despite a major reorientation of spending priorities towards basic development (health and education) in the early years of independence (Dashwood 2000: 40-56), domestic and international capitalist interests were never seriously challenged by the government. To the degree that an indigenous (black) capitalist class emerged in Zimbabwe, it was generally closely tied to state patronage and co-optation by white capital (Bond 1998; Andreasson 2007a), a process not entirely dissimilar to the more counterproductive aspects of Black Economic Empowerment (BEE) in South Africa today (Southall 2004; Andreasson 2006b: 312-314).²⁰ While the post-liberation period in Zimbabwe has obviously been more volatile than has been the case in South Africa and,

especially, Botswana there is nevertheless a degree of continuity in state – capital relations, carefully managed to adapt to (and remain acceptable in) new political circumstances, up until the turmoil of violent land reforms in the present decade which has left Zimbabwe’s economic and political future increasingly uncertain (cf. Moore 2007).

These continuities suggest that not only must the region’s prevailing capitalist-dominated structures of power and influence be genuinely challenged for genuine socio-economic transformations to be possible. They also suggest that (Liberal) accounts of transition, where democracy creates opportunities for the marginalized to enjoy the benefits of capital accumulation, thus broadening development (e.g., Olson 1982; Przeworski and Limongi 1993), are fundamentally flawed. This flaw is also implicit in President Mbeki’s conceptualization of the ‘two economies’ character of post-*apartheid* South Africa – one wealthy and white, the other poor and black – where it is assumed that bridging the divide between formal and informal economies will result in the development of the latter rather than its continued underdevelopment (Bond 2007). Once regional transitions are recognized as largely accommodationist in nature and predicated on variations of modernization theory assumptions about the relationship between growth, accumulation and development (cf. Bond 2007), it becomes possible to understand much of post-liberation politics in Southern Africa as producing impediments to, rather than opportunities for, radical socioeconomic transformation and emancipation.

The ‘targets’ of development

If state – capital relations have largely weathered the storms of transition in Southern Africa, what has become of civil society – the African peoples themselves – in the post-liberation era? Africans remain, in many ways, at the margins, politically and economically as well as in intellectual debates on development, their needs and priorities generally defined by elites that are more accountable to market forces than their own civil societies and in some cases apparently ignorant of the history of exploitation in Africa and how it continues to impact its peoples. Speaking to an audience at the Cheikh Anta Diop University in Senegal in July 2007, French President Nicolas Sarkozy suggested that Africa’s underdevelopment is a result of Africans having ‘turned their back on progress’:

The tragedy of Africa is that the African has never really entered into history... They have never really launched themselves into the future. The African peasant ... only knew the eternal renewal of time. In this imaginary world, where everything starts over and over again, there is room neither for human endeavour, nor for the idea progress (*The Guardian* 27 August 2007).

To this reformulation of the standard colonial explanation of African backwardness (cf. Andreasson 2005a), dismissive of the very direct and brutal way into which Africa entered the history of the modern world (Rodney 1982), was met by South Africa’s President Mbeki, leading proponent of the notion of an ‘African Renaissance’ (Bongma 2004), with approval in the form of a personal letter. According to Mbeki’s letter, Africans are ‘fortunate to count [Sarkozy] as a citizen of

Africa, as a partner in the long struggle for a true African Renaissance' (*The Mail & Guardian* 27 August 2007).

Critics of South African 'sub-imperialism', or 'sub-hegemony' in Africa (Bond 2004a; Peet 2007: ch. 6) and the significant degree of co-optation of South African political elites by international financial institutions (Bond 2004b), and by the West in general, will not be surprised by this endorsement of a well-established Western mischaracterization of Africa's relationship to (Western) history. Judging the rural African as a passive spectator, best aided by benevolent elite policy-making, rather than being actively solicited for his (even less, her) input on how needs can best be met, has been a persistent phenomenon in post-liberation Southern Africa (Leysens 2006; Larmer 2007). From the South African government's active 'demobilization' of civil society and harsh responses to local pressure groups in the post-*apartheid* era (Naidoo 2007), to the Botswana government's removal of the San from their ancestral lands (Taylor and Mokhawa 2003), to the more extreme example of dragging the poor 'into history' in the Zimbabwe government's so-called 'Third *Chimurenga*', or 'struggle', revolving around the land reform and the challenging of Zanu-PF legitimacy by the opposition (the two first being the late nineteenth-century revolt against the British South Africa Company and the second the liberation struggle against the Rhodesian government) (Bracking 2005), there has been a rather one-sided attempt at imposing elite-driven visions of 'modernity' and 'progress' on Africans.

In addition to the problem of the conservative and accommodationist nature of transformations in Southern Africa, the region's peoples have seen the potential for improvements in their lives diminished by a persistently elitist discourse on what liberation and development ought to entail. Despite relatively high levels of economic development – Botswana and South Africa are designated upper middle income countries by the World Bank – and the continued ability of corporations and investors to profit from the region's wealth, little has been achieved in terms of improving on orthodox development indicators. In terms of health, measures of inequality and poverty reduction the regional trajectories has remained stagnant or worsened since the 1990s.²¹ Yet the preoccupation of governments have remained how to create stable economic environments (i.e., sustaining policies that are acceptable by international corporate standards) and proving that Southern Africa remains a place where corporations can work closely with governments. An internal ANC discussion document described the situation thusly:

While on one hand [developing states] are called upon to starve and prettify themselves to compete on the 'catwalk' of attracting the limited amounts of foreign direct investment ... they are on the other hand reduced to bulimia by the vagaries of an extremely impetuous and whimsical market suitor! (African National Congress 1998).

Variations on the concept of a 'developmental state' have been pursued in Botswana and now apparently also South Africa, with the former generally considered Africa's 'success story' in this regard (cf. Samatar 1999).²² Neoliberal reforms in South Africa and structural adjustment in Zimbabwe, the latter more obviously driven by external pressures, have been main features of government policy in the last two decades.

Yet, much less critical attention has been focussed on the issue of how to promote a greater sense of social cohesion, human and natural healing (i.e., reducing levels of violence and ecological degradation) and related issues of well-being, without the attention to which no discussion of development becomes meaningful in any other sense than assuming that greater economic growth will in the end make possible increased attention to these ‘soft’ issues. Rather, the political discourse remains one of juxtaposing fairly orthodox liberal arguments for market-oriented economic reforms with corporatist or populist-socialist arguments for redistribution. In this kind of discourse, the peoples of the region, ‘the poors’ in Desai’s (2002) analysis of community movement in post-*apartheid* South Africa, are often left without a meaningful voice beyond that of casting a vote in periodical elections for candidates which they have had little direct influence in selecting in the first place. The elite orientation of policy making in Southern Africa has produced a state of ‘virtual democracy’²³, from which emanates policies aimed primarily at satisfying narrow economic interests rather than broadly developmental ones (Andreasson 2003). Such policymaking will continue to exacerbate problems of uneven development, social breakdown and environmental degradation, which in turn further diminishes the likelihood of a better future for those most desperately in need of one.

For the region’s capitalists and political elites it has been worthwhile to keep public economic debate focussed on issues like foreign direct investment, aggregate economic growth (with little attention to distribution of that growth), corporate profitability and the degree to which national policy environments are deemed ‘business friendly’, thus placating the ever-present and oft-employed business threat of ‘exit’.²⁴ Serious debate on the role of capitalism in a liberated Southern Africa, and the degree to which capital is obligated to contribute to socio-economic development and transformation, is fraught with difficulty and risk for capitalists and political elites alike, as the consequences of initial demands for economic justice and land reform spiralling out of control due to a combination of irresponsible populist rhetoric, political opportunism, capitalist obfuscation and outright thuggery in Zimbabwe has shown. Evidence from South Africa suggests that where business have been willing to engage in debates with a wider range of societal stakeholders, the results have largely been rhetorical window-dressing *à la* the Corporate Social Responsibility (CSR) ‘movement’ which has yielded few concrete results and has not altered control of national economies in favour of the poor (Fig 2005).

The result of an elite dialogue between governments and local and international capital on how to promote a ‘growth friendly’ policy environment that largely excludes societal actors from any effective input has been a renewed struggle for recognition and liberation from oppressive economic conditions by various social movements (Seddon and Zeilig 2005; Larmer 2007; Naidoo 2007). Such struggles are most obvious in South Africa and Zimbabwe, although the nature and dynamic of struggle in these two countries differ on account of the distinctly different state-society relations in each country. They are least obvious in Botswana, a result of greater post-independence political stability and a much less developed and autonomous civil society. While the struggle for rights and development in Zimbabwe has already engulfed the country in violence and state oppression, recent evidence of an escalation of violent protest in South Africa, from protests against lack of basic delivery of services in the Free State to clashes between anti-eviction activists and police in KwaZulu-Natal, suggest that South Africa, with a democratic constitution

and a government enjoying a relatively high level of legitimacy, may fall prey to spiralling volatility if promises of delivery for the majority of poor inhabitants cannot be realized.

The increasingly unstable societal rift in these post-liberation societies points to a widening bifurcation of debates on socio-economic development and transformation. On one hand, there is the elite debate on market-driven or neoliberal v developmental state or interventionist paths to development, predicated on growth and trickle-down effects in the former and growth with redistribution in the latter. These debates have been rehashed for several decades, and regional trajectories, in terms of health, inequality and poverty indicators do not suggest that either approach, both of which have been at some point pursued in the region, have been able to resolve the fundamental problem of poverty and exclusion of the region's 'social majorities'.²⁵ On the other hand, renewed agitation among civil society groupings and related organizations is attempting to create (regional) grassroots debates and actions that pressure elites to include civil society in decisions on development policy in a meaningful way (Larmer 2007). At present, however, such movements are merely embryonic and, in addition, quite weak in Botswana, unable to engage in any meaningful dialogue with a government intent on survival at any means in Zimbabwe and too easily sidelined by well-entrenched capital interests and a sophisticated process of elite political co-optation in South Africa. Leysens (2006) analysis of social movements among the marginalized in Southern Africa suggest that they have so far not been very successful in promoting and achieving their goals. However, as protest grows, the ability of governments in Southern Africa to maintain stability and some semblance of societal cohesion, without which any sustained and effective improvements in well-being becomes impossible, will likely be increasingly dependent on the ability of governments to respond to the needs of civil society and to exercise a significant degree of autonomy from capitalist actors, for which the relentless perpetuation of accumulation and profit-making remains the key priority. At a tipping point, the region is not likely to sustain the societal fragmentation and natural exploitation that such accumulation entails even if that would be an obviously acceptable option for capital and seemingly not an unacceptable option for the region's political elites.

Conclusion

Following Southern Africa's transitions from colonial rule to democracy, a sense of disappointment and despair remains for the region's poor and marginalized majorities for whom liberation has brought precious little in terms of improvements to their daily lives. Indignities of colonial oppression and racist rule have faded from immediate memory – an important step on the road to mental liberation no doubt – but economic opportunities and access to decent health care and housing, as well as the ability to live secure from violence remains an elusive ideal for all too many. The persistence of extremely uneven development in Southern Africa, and a continued pandering via policymaking to the very economic processes that produce it in the first place, ensures that privileged elites continue monopolizing the region's resources and the benefits of economic growth and accumulation. This situation will cast increasing doubt on the conventional wisdom (in this not-yet-discarded 'Washington Consensus' era) that markets have to be accommodated at all costs and that government policies catering

primarily to the interests of capital will provide benefits to all via a greater availability of private consumption and provision of public goods.

If governing elites in Southern Africa cannot extract themselves from the overwhelming temptations of the power and potential material rewards of political office (given the oftentimes too easy transition from politics to business) a growing state – society clash is inevitable. The desperate situation in Zimbabwe is clear evidence of this, as is the growing violence surrounding protests against privatization, lack of service delivery and elite corruption in South Africa. While Botswana remains the region's 'success story', where a passive society offers little resistance to a government that maintains stability while not managing to reduce extreme socio-economic inequalities, increasing turmoil across its borders is bound to increase the risk of destabilization and increasing societal conflict over political power and control over how the profits from the mineral resources on which the country so greatly depends are put to use.

Southern Africa remains a region of intense, seemingly uninterrupted capitalist exploitation, but also one where social movements are re-emerging, after a post-liberation lull, to challenge the leaders of the former liberation movements that now are in government and desperately trying, although increasingly failing, to accommodate both capital demands for neoliberal reforms and, to a lesser degree, populist pressures for redistribution and genuine socio-economic transformation. These challenges to the post-liberation settlement (between states and capital) in Southern Africa constitutes a continuation of the historical struggle against capitalism – led by those without access to capital who wish to create a society in which the profit-motive is no longer the central organizing principle – that has been the main driver of social change in the modern era. From the vantage point of the key decision-making centres in the world's most powerful countries and international financial institutions, Southern Africa remains on the fringes of the global economy. Its natural resources, however, remain valuable and as a site of unabashed exploitation by global and local capital alike it, like many other 'developing' regions, constitutes a key example of how future anti-capitalist movements with a global reach can unfold.

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Endnotes

¹ This pursuit of well-being is generally what is understood as ‘development’ (e.g., Sen 1999), when that concept is not constrained by a narrow economic interpretation as in Rostow’s (1960) ‘stages of development’ and subsequent definitions of development inspired by modernization theory. This contemporary conceptualization of development nevertheless remains subject to criticisms of the ‘development project’ in its entirety as articulated by various post-development scholars (e.g., Escobar 1995; Rahnama and Bawtree 1997).

² See Patel and McMichael (2004) on ‘fascist relations’ in global capitalism today.

³ Find the Project for a New American Century, the neo-conservative blueprint for American domination in the twenty-first century, at <http://www.newamericancentury.org/RebuildingAmericasDefenses.pdf>.

⁴ Holmstrom and Smith (2000) examine primitive accumulation in post-Soviet Russia (and China). The early 1990s ‘shock therapy’ reforms of the Russian economy, led in part by Western technocrats and expertise, resulted not only in serious deprivation and impoverishment of the population, but also in the emergence of old and new innovative forms of accumulation and enrichment, what the authors term ‘gangster capitalism’. Neither broad-based development nor democracy has resulted from these reforms.

⁵ Capitalist accumulation is distinct from the pre-capitalist form of accumulation called ‘primitive’ by Marx and ‘previous’ by Adam Smith. Primitive accumulation refers to the process of separating the producer from the means of production, which in turn enables a capitalist accumulation where labour is already alienated and wage-labour is employed by those in control of capital (Marx 1990: 873-876). Primitive and capitalist forms of accumulation are inextricably linked, both containing significant elements of violence, cruelty, disempowerment and dehumanization.

⁶ On the role of coercion in capitalist accumulation, see Perelman (2000) and Meiksins Wood (2003).

⁷ Recent approaches to Southern Africa as a region include Bradshaw and Ndegwa (2000) on prospects for democracy; Lee (2003) on the political economy of regionalism; Love (2005) on Southern Africa in world politics; Saul (2005) on post-independence liberation struggles; and Taylor (2007) on state-business relations.

⁸ Roux (1964: 87) outlines two distinct historical periods in South Africa, in terms of the impact of European civilization on the African peoples of the country. The first period, which originates in European settlement of the Cape in the mid-seventeenth century and ends with the Bambata rebellion in 1906, entails the systematic subjugation of African kingdoms and dispossession of lands. This is a period of various tribal wars which sees Africans engaging in active armed struggles against the European invaders and their ultimate reduction to becoming an ‘internal proletariat’. This was a process of subjugation largely characterized by African tribal divisions. The second period, from the early twentieth century onward is characterized by a struggle for democratic rights within the modern South African economic and

political framework (following Union in 1910), a struggle that remained peaceful until the 1960s when, following the Sharpeville massacre, the armed struggle of the ANC, SACP and affiliated organizations began in earnest. This was a period characterized by increasing, although often problematic, unity of African peoples in opposition to European rule.

⁹ The relationship between white capital (long dominated by the ‘English community’) and white rule (from 1948 increasingly the preserve of Afrikaners) was, however, never straightforward. At times, the racist policies of exploitation facilitated greater profit-making and competitiveness on part of capitalists. At other times, especially with increasing economic diversification and increasing domestic and international resistance to *apartheid*, the capitalist class saw government policies on race (especially the Colour Bar in employment, which artificially increased the cost of labour) as an obstacle. See Lipton (1986) for the classical statement on this conflict in the Liberal tradition. In a quite different way, and from a distinctly opposed viewpoint, Simons and Simons (1983: 610) characterize this conflict as the result of ‘the impact of an advanced industrialism on an obsolete, degenerate colonial order’.

¹⁰ Mhone (2000) distinguishes between South Africa and Zimbabwe, on one hand, as typical settler-dominated economies, and Botswana, on the other, as a peripheral or ‘resource-based rentier monocultural’ economy. In South Africa and Zimbabwe, settler elites created enclaves of capital accumulation and luxury consumption in the midst of pre-industrial societies that over time became institutionalized dual economies. In Botswana the national economy was characterized by dependence on the South African economy, on a single major resource (minerals, mined for export) and the emergence of economic enclaves.

¹¹ Solomon (Sol) Tshekisho Plaatje was South Africa’s first prominent black journalist and newspaper editor, born in 1876 near Boshof in the Orange Free State. His acclaimed novel *Mhudi* (1930) is generally credited with being the first novel written by a black South African. His *Native Life in South Africa* is one of the great political books of South Africa, outlining the systematic dispossession of black South Africans that began in earnest with the 1913 Land Acts. Sol Plaatje died in 1932.

¹² The Natives Land Act No. 27 1913 restricted black ownership of land to designated (ethnically defined) ‘reserves’, reducing land reserved for black Africans, comprising about two-thirds of South Africa’s population, to a mere 7.3 per cent of the total land – an area ‘totally inadequate to sustain an independent and viable peasant economy ... [thus leaving Africans] vulnerable to the growing labour demands of white farmers and the mines’ (Feinstein 2005: 43-44).

¹³ The characterization of the region’s socio-economic (and political) trajectory as one of primarily continuity is reflected in the Editorial introducing a recent issue of the *Journal of Southern African Studies*, stating that ‘[t]he dramatic political transitions of the 1990s in some parts of the region have ushered in important changes, but have frequently also allowed for a remarkable persistence in the authority and status of elites at local level’ (McGregor 2007: 465).

¹⁴ Despite tensions within the Tripartite Alliance, comprising the ANC the South African Communist Party (SACP) and the Congress of South African Trade Unions (COSATU), there are few indications that the Left wing within the Alliance will break away from the centrist leadership and contest elections as a separate entity (Andreasson 2006b).

¹⁵ See Haggard and Kaufman (1995) and Bond (2000) for, respectively, theoretical and empirical discussions of the political and policy-related implications of conservative, or pacted, transitions where pre-transition negotiations between incumbent and incoming elites narrow possibilities for post-transition political and economic change.

¹⁶ Polanyi (1944) noted that the influence of *haute finance* on domestic politics has been momentous since at least the days of the Rothschilds. In Southern Africa, Wernher & Beit and Rhodes played instrumental roles as financiers, linked to imperial finance and the Rothschilds in Europe (Turrell 1987), during the Anglo-Boer war and the imperial struggle for the country's diamonds and gold in the early days of South Africa's industrialization.

¹⁷ See Walter (2005) and Koelble and LiPuma (2006) for the effects of financialization (and neo-liberal globalization more generally) on developing countries and emerging markets like South Africa.

¹⁸ The Freedom Charter is available at <http://www.anc.org.za/ancdocs/history/charter.html>.

¹⁹ See Bond (2004b) for the ANC government's subsequent 'accommodationist' approach toward international capital and Western neo-imperialism, characterized as 'Talk Left, Walk Right'.

²⁰ In a speech on the eve of the ANC's 2005 National General Conference, SACP General Secretary Blade Nzimande (2005) suggested that there were 'strong continuities' between *apartheid*-era Black Advancement policies and BEE policies today.

²¹ See International Federation of Red Cross and Red Crescent Societies report on declining human development indicators in Southern Africa at <http://www.reliefweb.int/library/documents/2006/IFRC/ifrc-saf-1Jan.pdf> [accessed 7 September 2007].

²² For a discussion of the prospects of creating 'developmental states' in Southern Africa, see Andreasson (2007b).

²³ See Joseph (1999) on the original conceptualization of 'virtual democracy' in Africa.

²⁴ See Hirschman (1970) for the classical statement on business 'voice' (e.g., lobbying and agenda-setting) and 'exit' (except in cases of significant 'sunken costs' in a particular location) in influencing economic policy.

²⁵ On ‘social majorities’ that are generally the objects (if not always passive ones) of development strategies contrived by the world’s ‘social minorities’, see Parfitt (2002: 4).