Samir Amin, Thandika Mkandawire and Guy Mhone on Africa’s socio-economic development

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Introduction
Development, however viewed, has been elusive in Africa. Economic development in particular has been weak, which might be one of the reasons why wellbeing has not sufficiently advanced in Africa. It is therefore important to examine development again, both economic and social development. Economic development in this paper is viewed as good economic performance resulting to the betterment of livelihoods (i.e. social development). As analyzed later, even in instances where economic performance has been good wellbeing has not improved much in Africa. Consequently, it is important to understand why economic development has been weak in Africa. This also requires an analysis of the character of the African economy and an examination of the various economies in Africa. This would also assist the effort aimed at economic transformation so the African economy improves and wellbeing is advanced.

Although many of the explanations given as reasons why economic and social development are low in Africa have merit, it would seem that analyses on this have not gone deep enough. Similarly, the question of why relatively impressive GDP growth rates have not yielded wellbeing improvement has not been satisfactorily addressed – it is not enough to say trickle-down has not worked. This paper is an attempt to go deeper on these issues though preliminarily, largely drawing from the works of Samir Amin, Thandika Mkandawire and Guy Mhone.

The paper starts with an analysis of economic and social development in Africa. Before concluding, views on how economic development could be expanded in Africa are
presented. Essentially, the fundamental challenge with the African economy or economies in Africa has to do with lack of structural transformation. In other words, the structures of many economies in Africa have not changed much from the colonial African economy. For instance, Samir Amin 'classified' African economies into three macro-regions: Africa of the colonial economy, Africa of the concession-owning companies and Africa of the labour reserves.¹ Much later, Thandika Mkandawire viewed some economies in Africa as rentier and some as merchant economies,² while Guy Mhone demonstrated that economies in Southern Africa are enclave economies³. Are these characterizations still true? And what should be done to ensure that economies in Africa perform better and improve wellbeing.

**Economic and social development in Africa**

To start with, there is a view that we have not fully understood what has constrained development, and particularly economic development in Africa. For the record, Mkandawire (2015) argues that attributing slow economic performance of African economies to neopatrimonialism as an example is problematic. As Mkandawire (2015: 2) puts it, ‘while neopatrimonialism can be used to describe different styles of exercising authority, idiosyncratic mannerisms of certain individual leaders, and social practices within states, the concept offers little analytical content and has no predictive value with respect to economic policy and performance.’ Mkandawire (2015: 3) describes ‘neopatrimonialism [as] a marriage of tradition and modernity with an offspring whose hybridity generates a logic that has had devastating effects on African economies' and that it is factually incorrect that the African economy has not performed well as the neopatrimonialism logic suggests. Table 1 below supports this view, to some extent.

**Table 1: GDP growth (1961-1970)**

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</tr>
</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>-7,7</td>
<td>9,4</td>
<td>8,8</td>
<td>5,0</td>
<td>2,0</td>
<td>14,7</td>
<td>3,4</td>
<td>8,0</td>
<td>7,9</td>
<td>-4,6</td>
</tr>
<tr>
<td>Ghana</td>
<td>7,6</td>
<td>0,7</td>
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<td>2,7</td>
<td>13,6</td>
<td>13,2</td>
<td>7,3</td>
<td>-1,9</td>
<td>5,9</td>
<td>0,5</td>
</tr>
<tr>
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<td>6,7</td>
<td>5,9</td>
<td>6,8</td>
<td>5,8</td>
<td>6,3</td>
<td>5,9</td>
<td>10,6</td>
<td>15,1</td>
<td>17,1</td>
</tr>
<tr>
<td>Malawi</td>
<td>3,4</td>
<td>4,1</td>
<td>4,4</td>
<td>2,2</td>
<td>1,4</td>
<td>-4,2</td>
<td>3,0</td>
<td>0,4</td>
<td>6,0</td>
<td>9,7</td>
</tr>
<tr>
<td>Nigeria</td>
<td>0,2</td>
<td>4,1</td>
<td>8,6</td>
<td>4,9</td>
<td>4,9</td>
<td>-4,2</td>
<td>-15,7</td>
<td>-1,2</td>
<td>24,2</td>
<td>25,0</td>
</tr>
</tbody>
</table>
For the selected countries, Gross Domestic Product (GDP) growth data indicate that many countries actually performed relatively well in the 1960s. Ghana having gained political independence in 1957 had a relatively good GDP growth in the 1960s (barring 1966). Kenya gained political independence in 1963 and it performed well throughout the 1960s. Nigeria gained independence in 1960 and it performed well for most of the 1960s. Rwanda however did not perform well in the first part of the 1960s but performed relatively well during the 1965-1970 period, having gained independence in 1962. Malawi and Botswana gained independence around the mid-1960s and performed well for most of the 1960s – Botswana actually performed very well throughout the 1960s.

Then there are countries such as South Africa and Zimbabwe which remained under colonial rule until very late. These kinds of countries still had positive growth but not as good as other countries. So, it is indeed inaccurate to say African economies have not performed well. I am deliberately discussing the 1960s because many African countries suffered from the oil crisis of the 1970s then structural adjustment programmes in the 1980s. There were other economic crises in the 1990s then a major global economic crisis starting in 2007.

At issue should be why economic development has not been fast enough. The related question is: why has economic development not resulted to effective human development. As argued and shown in Gumede (2016), human development in Africa remains very low. Looking at the period since 1980, as an example, Sub-Saharan Africa’s Human Development Index (HDI) has remained comparatively low, even compared to South Asia. Comparing Sub-Saharan Africa and Latin America and the Caribbean, Africa remains behind other regions. As argued elsewhere, the crisis of development in Africa is underpinned by the ideological and epistemological confusion.
and imposition that define the pursuit of development, justice and freedom. The pursuit of development has generally followed a pattern defined by the West in which a unilinear process is deemed sacrosanct.

Before we deal with facts and figures regarding economic and social development in Africa, it is important to highlight that Samir Amin (1990: 62) makes a point that ‘underdevelopment is the observer of “development”, that is, the one and the other are two sides of the – naturally unequal – expansion of capital…development of the countries on the periphery of the world capitalist system must therefore come through an essential rupture with that system.’ In other words, whichever way we conceive of development, ultimately the end of the global capitalist order should be the main answer to bringing about development in so-called underdeveloped or less developed countries (i.e. countries in Africa).

One of the questions that naturally arise is whether African countries are performing optimally in economic terms and whether wellbeing is advancing in Africa. This question becomes even more critical in the context of the envisaged African Continental Free Trade Area. To address pertinent questions, I use data from the African Development Bank (AfDB) and the World Bank (WB). The focus is on the recent period for selected countries, since year 2000. The analysis also deals with Africa as a whole and Africa south of the Sahara. The selection of countries is informed by development debates: some of the countries under discussion are viewed as advancing faster than the rest of economies in Africa and some have major socio-economic challenges while others are not usually discussed in many studies that deal with social and economic development in Africa. Nigeria and South Africa have been included as part of the analysis because these are the two biggest economies in Africa. The period examined is from 2010 to the latest available data (at the time of finalizing this paper). Arguably, African economies are still recovering from the global economic crisis that started in 2007.

To start with, the AfDB estimates that real output growth is estimated to have increased from 3.6 percent in 2017 and to 4.1 percent in 2018 (and 2019)\(^v\). This economic
performance, although respectable in the global context, is low. This low growth ‘trap’ points to the need to comprehensively restructure African economies – at least there is need for a robust economic transformation agenda for Africa. It is encouraging that countries that experienced good growth of Gross Domestic Product (GDP) had commendable declines in poverty and inequality than countries that experienced no growth acceleration. Indeed, there has been a shift from low- to high-productivity sectors. However, growth in employment has not been able to keep pace with labour force growth, leaving large segments of the population unemployed and underemployed in many African countries.

As Table 2 shows with regards to trends in GDP, a number of countries have achieved stellar performance in output growth in the same period since 2000. Among the top performers were Ethiopia with GDP at 937,4 percent higher in 2017 compared to 2002. Nigeria’s output was also 535,6 percent higher in 2017 than 2002. The corresponding figures for rest of the countries in the table were: Kenya (471,9 percent), Rwanda (429,9 percent), Ghana (399,1 percent), Zimbabwe (255,3 percent), Liberia (255,2 percent), South Africa (214 percent), Malawi (137,8 percent), and Botswana (115,2 percent).

Africa as a whole has seen its growth output rise by 293,2 percent and Sub-Saharan Africa by 377,3 percent.

Table 2: GDP at Current Prices (2002-2017) (Millions US$)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>8 086,8</td>
<td>10 939,0</td>
<td>14 420,3</td>
<td>17 406,5</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>7 793,5</td>
<td>19 182,5</td>
<td>42 210,5</td>
<td>80 873,5</td>
</tr>
<tr>
<td>Ghana</td>
<td>9 482,1</td>
<td>24 757,6</td>
<td>40 647,3</td>
<td>47 329,7</td>
</tr>
<tr>
<td>Kenya</td>
<td>13 103,0</td>
<td>31 958,2</td>
<td>60 497,6</td>
<td>74 938,0</td>
</tr>
<tr>
<td>Liberia</td>
<td>535,7</td>
<td>949,0</td>
<td>1 374,6</td>
<td>1 903,0</td>
</tr>
<tr>
<td>Malawi</td>
<td>2 665,2</td>
<td>4 432,9</td>
<td>5 721,4</td>
<td>6 339,3</td>
</tr>
<tr>
<td>Nigeria</td>
<td>59 116,9</td>
<td>265 697,3</td>
<td>460 951,7</td>
<td>375 745,5</td>
</tr>
<tr>
<td>Rwanda</td>
<td>1 723,9</td>
<td>3 775,4</td>
<td>7 336,9</td>
<td>9 136,2</td>
</tr>
<tr>
<td>South Africa</td>
<td>111 101,4</td>
<td>299 417,2</td>
<td>396 329,4</td>
<td>348 872,1</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>6 202,5</td>
<td>5 646,0</td>
<td>17 115,0</td>
<td>22 041,0</td>
</tr>
<tr>
<td>AFRICA</td>
<td>579 430,1</td>
<td>1 485 348,4</td>
<td>2 358 692,7</td>
<td>2 278 848,94</td>
</tr>
</tbody>
</table>
According to AfDB, despite the reported stellar economic performance of some African countries the continent, global and domestic factors in 2016 slowed the pace of growth, however, signs of recovery were already visible in 2017. Output growth is estimated to have increased 3.6 percent in 2017, up from 2.2 percent in 2016, and was expected to accelerate to 4.1 percent in 2018 and 2019. All in all, the recovery in growth has been faster than predicted, especially among non-resource-intensive countries, emphasizing Africa’s resilience in the past several years. Currently, many economies in Africa are more resilient and better placed to cope with harsh external conditions than previous decades. Nevertheless, the end of the commodity price super-cycle has cut earnings from primary exports in resource-intensive economies, undermining exports and planned investments.

Considering economic growth since most African states gained independence from colonialism, Africa’s growth momentum in the past couple decades has been remarkable by historical standards. In at least two-thirds of the African countries with data, per capita incomes rose for eight consecutive years at a rate of 3.5 percent or more between 1950 and 2016, according to the World Bank. This is not surprising as some African countries have high demand resources such as diamonds, sugar, gold, coal, uranium, platinum, silver, oil and petroleum. For instance, with oil being a highly sought-after commodity in the world, its production puts countries like Equatorial Guinea and Gabon at the top in terms of GDP per capita. One would have actually expected even higher GDP per capita rates and that these translated to better living conditions for all the people in the countries with high GDP per capita.

As Table 3 shows, GDP per capita at 2018 US$ prices is actually high in Africa as a whole and the south of the Sahara. As with the growth of the GDP, Ethiopia made the highest percentage improvement of the selected countries. Between the period 2002
and 2017, it achieved 598.2 percent in the growth of per capita income. It should be noted that the country started from a very low base of US$ 111. Even within the African context, this is very low per capita income. Nigeria also made spectacular gains by achieving 328.7 percent during the same period. Since rebasing its GDP in 2013, it has surpassed South Africa as the largest economy in Africa. The oil industry has propelled the Nigerian economy to spectacular growth over the past two decades.

Table 3: GDP per capita at 2018 prices (2002-2017) (Thousand US$)

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2007</th>
<th>2012</th>
<th>2017</th>
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<tbody>
<tr>
<td>Botswana</td>
<td>3 409</td>
<td>5 667</td>
<td>6 761</td>
<td>7 426</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>111</td>
<td>237</td>
<td>458</td>
<td>775</td>
</tr>
<tr>
<td>Ghana</td>
<td>479</td>
<td>1 099</td>
<td>1 591</td>
<td>1 652</td>
</tr>
<tr>
<td>Kenya</td>
<td>401</td>
<td>858</td>
<td>1 422</td>
<td>1 546</td>
</tr>
<tr>
<td>Liberia</td>
<td>174</td>
<td>269</td>
<td>328</td>
<td>402</td>
</tr>
<tr>
<td>Malawi</td>
<td>226</td>
<td>328</td>
<td>364</td>
<td>346</td>
</tr>
<tr>
<td>Nigeria</td>
<td>457</td>
<td>1 806</td>
<td>2 740</td>
<td>1 959</td>
</tr>
<tr>
<td>Rwanda</td>
<td>202</td>
<td>398</td>
<td>678</td>
<td>751</td>
</tr>
<tr>
<td>South Africa</td>
<td>2 401</td>
<td>6 025</td>
<td>7 501</td>
<td>6 293</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>489</td>
<td>425</td>
<td>1 175</td>
<td>1 349</td>
</tr>
<tr>
<td><strong>AFRICA</strong></td>
<td><strong>679</strong></td>
<td><strong>1 538</strong></td>
<td><strong>2 149</strong></td>
<td><strong>1 831</strong></td>
</tr>
<tr>
<td><strong>Sub-Saharan Africa</strong></td>
<td><strong>499</strong></td>
<td><strong>1 280</strong></td>
<td><strong>1 786</strong></td>
<td><strong>1 593</strong></td>
</tr>
</tbody>
</table>

**Source:** Based on AfDB data (various issues)

Besides Nigeria, other countries have also achieved significant growth in per capita income. The corresponding figures are as follows: Kenya (285.5 percent), Rwanda (271.7 percent), Ghana (244.9 percent), Zimbabwe (175.8 percent), South Africa (162.1 percent), Liberia (131 percent), Botswana (117.8 percent), and Malawi (53.1 percent). However, ensuring that economic growth benefits the whole population is a major concern in the continent. Failure to evenly distribute the benefits of economic growth has led to the myriad of problems. Huge income inequalities in Africa have the potential to cause economic and social unrest and hinder further economic growth in the future.

Looking at GDP growth, during 2010-2017, many African countries (or rather the selected ones) have performed relatively well although arguably below par.
Table 4: GDP growth (%) (2010-2017)

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</tr>
</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>8.6</td>
<td>6.0</td>
<td>4.4</td>
<td>11.3</td>
<td>4.1</td>
<td>-1.7</td>
<td>4.3</td>
<td>2.4</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>12.5</td>
<td>11.2</td>
<td>8.6</td>
<td>10.6</td>
<td>10.2</td>
<td>10.4</td>
<td>7.6</td>
<td>10.2</td>
</tr>
<tr>
<td>Ghana</td>
<td>7.9</td>
<td>14.0</td>
<td>9.3</td>
<td>7.3</td>
<td>2.9</td>
<td>2.2</td>
<td>3.4</td>
<td>8.1</td>
</tr>
<tr>
<td>Kenya</td>
<td>8.4</td>
<td>6.1</td>
<td>4.6</td>
<td>5.9</td>
<td>5.3</td>
<td>5.7</td>
<td>5.9</td>
<td>4.9</td>
</tr>
<tr>
<td>Liberia</td>
<td>6.1</td>
<td>8.2</td>
<td>8.0</td>
<td>8.7</td>
<td>0.7</td>
<td>0.0</td>
<td>-1.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Malawi</td>
<td>6.9</td>
<td>4.8</td>
<td>1.9</td>
<td>5.2</td>
<td>5.7</td>
<td>2.8</td>
<td>2.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Nigeria</td>
<td>8.0</td>
<td>5.3</td>
<td>4.2</td>
<td>6.7</td>
<td>6.3</td>
<td>2.6</td>
<td>-1.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Rwanda</td>
<td>7.3</td>
<td>7.8</td>
<td>8.8</td>
<td>4.7</td>
<td>7.6</td>
<td>8.9</td>
<td>6.0</td>
<td>6.1</td>
</tr>
<tr>
<td>South Africa</td>
<td>3.0</td>
<td>3.3</td>
<td>2.2</td>
<td>2.5</td>
<td>1.8</td>
<td>1.3</td>
<td>0.7</td>
<td>1.3</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>19.7</td>
<td>14.2</td>
<td>16.7</td>
<td>2.0</td>
<td>2.4</td>
<td>1.8</td>
<td>0.7</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Source: World Bank data (various issues)

It is worth highlighting that growth in some of these economies happened as a result of the commodities super-cycle and many of them remain fragile. The period starting in 2014 to latest available data seems to suggest that many African economies are in decline.

Examining human development in Africa confirms that economic performance has actually been mediocre in Africa and that in instances where economic performance is said to have been good social development has not improved. Africa has always been lagging behind other regions in terms of human development indicators. However, over the past few decades, good progress has been made in areas such as net primary school enrolment, gender parity in education, women representation in decision-making, reduction in poverty, immunization coverage and curtailing the spread of HIV/AIDS.
Notwithstanding and despite this progress, there is still a lot that needs to be done. There are some areas that have been neglected when they should have been prioritised such as malaria. Malaria has been the number one killer of children in sub-Saharan Africa for a long time. Also, the recent Ebola crisis in some parts of Africa reminds us just how quickly new problems can emerge.

The concept of human development was first introduced in 1990. The Human Development Index (HDI), which is a composite of indicators on life expectancy, education and access to resources needed for a decent living, is used to quantify wellbeing in Africa. Recently, Africa’s breakthrough came with Seychelles achieving a “very high human development” ranking. Other African countries such as Libya, Mauritius, Algeria and Tunisia were designated as the “high” group and ten African countries in the “medium” group. The remaining 37 African countries were in the “low” human development category, without including South Sudan. However, a lot of countries in the “low” category are improving rapidly. Notable among them are Angola, Burundi, Ethiopia, Mozambique, Rwanda, Sierra Leone and Zimbabwe. They have a rapidly rising life expectancy and incomes, but various factors are holding many African countries back.

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>0,565</td>
<td>0,660</td>
<td>0,717</td>
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<td>0,417</td>
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<td>Ghana</td>
<td>0,455</td>
<td>0,484</td>
<td>0,592</td>
</tr>
<tr>
<td>Kenya</td>
<td>0,451</td>
<td>0,543</td>
<td>0,590</td>
</tr>
<tr>
<td>Liberia</td>
<td>0,387</td>
<td>0,407</td>
<td>0,435</td>
</tr>
<tr>
<td>Malawi</td>
<td>0,399</td>
<td>0,441</td>
<td>0,477</td>
</tr>
<tr>
<td>Nigeria</td>
<td>0,335</td>
<td>0,484</td>
<td>0,532</td>
</tr>
<tr>
<td>Rwanda</td>
<td>0,335</td>
<td>0,485</td>
<td>0,524</td>
</tr>
<tr>
<td>South Africa</td>
<td>0,630</td>
<td>0,649</td>
<td>0,699</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>0,440</td>
<td>0,467</td>
<td>0,535</td>
</tr>
</tbody>
</table>

**Source:** Based on AfDB data (various issues)

Table 5 highlights trends in the HDI in selected African countries. Beginning in the year 2000, there has been an upward trend in all selected countries. Countries such as
Ethiopia, Liberia, Malawi and Rwanda have made great strides since the year 2000. This clearly shows that the political and economic reforms made over the years are starting to bear fruits. However, these future successes are vulnerable to many factors, some of which are not within Africa’s control, but can be remedied through collective effort and international development partnerships. Although some parts of the continent are still grappling with political instability, this is now an exception rather than the rule.

Of critical importance though is that, with the exception of Botswana perhaps, the GDP growth rates of these selected countries have not significantly positively impacted human development. Ethiopia has experienced GDP growth rates of a minimum of 10% each year since 2010, as an example and excluding 2012 and 2016, but the HDI has remained below 0.50. Granted, there has been an improvement in Ethiopia’s HDI from 0.28 in 2000 to 0.46 in 2017. Liberia and Rwanda are also insightful cases: GDP growth rates have generally been good but the HDI has not improved much. The next section delves into this contradiction, if not an irony, as far as the economic performance of many African countries and levels of wellbeing in Africa.

**Advancing economic and social development in Africa**

As indicated earlier, many of the explanations given as reasons why economic and social development are low in Africa though with merit, analyses on this have not gone deep enough. Also, the question of why relatively impressive GDP growth rates have not resulted to wellbeing improvement has not been comprehensively addressed. At issue, fundamentally, is what constrains growth of the African economy or what limits growth in many African economies. This, arguably, is linked to the structure and the defining features of the African economy as discussed below. This is not to say that other explanations, such as relating to the quality of institutions, are not important. It does however mean that policy and leadership are critical.

To start with, Samir Amin (1972) categorized the eastern and southern parts of Africa as the ‘Africa of labour reserves’, western parts of Africa as ‘Africa of the colonial economy’
and the Congo River Basin (i.e. Congo Kinshasa, Congo Brazzaville, Gabon and the Central African Republic) as ‘Africa of the concession-owning companies’. The Africa of labour reserves included Kenya, Uganda, Tanzania, Rwanda, Burundi, Zambia, Malawi, Angola, Mozambique, Zimbabwe, Botswana, Lesotho and South Africa. The Africa of the colonial economy entailed former French West Africa, Togo, Ghana, Nigeria, Sierra Leone, Gambia, Liberia, Guinea Bissau, Cameroon, Chad and the Sudan. Also, from Samir Amin’s works, understanding the evolution of social formations in Africa helps us have a better view of the character of the African economy or of many economies in Africa.

Samir Amin (1976: 18) explains that an ‘analysis of a concrete social formation must therefore be organized around an analysis of the way in which the surplus is generated in this formation, the transfers of surplus that may be effected from or to other formations, and the internal distribution of this surplus among the various recipients (classes and social groups) – a social formation is an organized complex involving several modes of production.’ It may be worth highlighting that in Marxism surplus value is what owners of means of production appropriate as profit; that which is value from workers which is generated in excess of what is commensurate to labour cost. Among other things, Karl Marx (1976) had the following to say regarding surplus-value:

…value is the active factor in a process, in which, while constantly assuming the form in turn of money and commodities, it at the same time changes in magnitude, differentiates itself by throwing off surplus-value from itself; the original value, in other words, expands spontaneously. For the movement, in the course of which it adds surplus-value, is its own movement, its expansion, therefore, is automatic expansion.

Regarding Africa, Samir Amin makes the point that ‘African formations were integrated at an early stage (the mercantilist stage) in the nascent capitalist system…they were broken off at that stage and soon began to regress (and might not have been able to generate by themselves the capitalist mode of production because large-scale trade of pre-mercantilist Africa was linked with relatively poor formations of the communal or tribute-paying types)’ (p51). The tribute-paying mode of production ‘is marked by the separation of society into two main classes: the peasantry, organized in communities, and the ruling class, which monopolizes the functions of a given society’s political
organization and extracts a tribute (not in commodity form) from the rural communities...The tribute-paying mode of production is the form that most normally succeeds the communal mode; it is the rule' (Samir Amin 1976: 15). It is important to note that Amin describes the mercantilist period as the period from about the seventeenth to the early nineteenth century (and also characterized by slave trade).

Thandika Mkandawire (2002) talks of rentier and merchant states. As he explains, a rentier state is an economy that relies on "substantial external rent" – '[a]n external rent can, if substantial, sustain the economy without a strong productive domestic sector' while the merchant state significantly relies on domestic taxes and on export and import taxes. Guy Mhone (2000), on the other hand, argues that 'even after some three or four decades of autonomous rule, [southern African] countries are still plagued by enclavity and pervasive open and hidden underemployment, particularly in the non-formal sectors of their economies". He defines enclave development as 'growth based on the exploitation of underemployed labour.' Mkandawire (2002) views the enclave economy as characterized by an export sector with very weak linkages with other productive sectors of the economy. South Africa, Zimbabwe and Namibia (to some extent) are said to represent 'the epitome of enclavity in which immigrant settlers formally institutionalized economic dualism…they are characterized by a number of features [such as] their enclavity evolved on the basis of institutionalizing the exploitation and marginalization of the majority of the labour force as a source of cheap labour'

An understanding of the nature/character of the African economy or parts of the African economy or economies in Africa helps us to deal with what is a fundamental challenge which makes it difficult for economies in Africa to perform robustly and reasons why wellbeing remains pedestrian. Samir Amin's characterization or categorization of the different parts of the economy still hold today, and, as he demonstrated, some of the categories/characterizations overlap. Southern Africa is insightful in this regard: it still remains a labour reserve economy and largely an enclave (as characterized by Guy Mhone). Economies in southern Africa perform poorly in general, and have low levels of human development (with perhaps an exception of Botswana). It would also appear
that most of western parts of Africa remain in colonial hands (i.e. Africa of the colonial economy) in some ways. Demba Dembele and Carlos Cardoso (2015)\textsuperscript{viii}, for instance, explain that many countries in the Franc Zone are still beholden to France.

It is clear that the fundamental constraint to economies in Africa has to do with weak structural transformation. The structure of the African economy analyzed by Samir Amin and Guy Mhone, among others, still largely holds today. Therefore, changing the structure of the African economy is the answer. In other words, even if other constraints such as low savings, low investments etc were addressed, economies in Africa would not perform well enough and they are unlikely to sufficiently advance wellbeing. Indeed, policies – particularly social policies – can help. However, to ensure that economies in Africa perform well sustainably and to ensure that levels of human development sufficiently improve, the structure of the African economy should be reconfigured. Actually, a complete overhaul of the African economy is overdue. Similarly, it is important to get politics and institutions right.

In brief, as discussed in Gumede (2015: 34) a structure of an economy entails: (a) the sectors and their contribution to economic growth, (b) respective capital and labour intensity of the sectors; and (c) the dominant sectors and their linkages. Another important issue has to do with ownership in an economy because ownership shapes the structure of an economy. Samir Amin deal with these issues more systematically in a political economy context. The ownership issue can also be examined in Marxist lenses: it is the ownership of the means of production and how surplus is generated that shapes the character of an economy. The characterization of southern African economies as Africa of labour reserves or as enclave economies is informed by ownership patterns. This is similar to how the characterization of the Congo River Basin as Africa of the concession-owning companies is also informed by ownership patterns in countries such as Congo Kinshasa, Congo Brazzaville, Gabon and the Central African Republic. The ownership patterns that were observed by Samir Amin are still largely in place as much as the enclavity of southern African economies is still in place as observed by Guy Mhone.
It is therefore important for practical interventions to bring about a reconfigured structure of the African economy or to structurally transform economies in Africa. Arguably, because these do not go deep enough, the various interventions that are being pursued regarding structural transformation in Africa are insufficient. Take for instance interventions aimed at improving industrialization in Africa, including the prioritization of certain sectors by the African Development Bank. Data from the African Development Bank (AfDB) and from the Commonwealth Handbook on Regional Integration in Africa show that Sub-Saharan Africa’s manufacturing share of GDP (%) has actually been declining and has remained very low, at least since the late 1980s. Africa still accounts for less than 2% of global manufacturing and the structure of Africa’s exports shows a rather low technological development.

Figure 1: Sub-Saharan Africa’s manufacturing share of GDP (%)

![Graph showing Sub-Saharan Africa's manufacturing share of GDP (%)](source: Own Calculations using World Development Indicators data)

The share of manufacturing in Gross Domestic Product in Africa, as Figure 1 shows, has been declining since the early 1990s. This implies that even if there might be some sectoral diversification taking place, manufacturing (and manufacturing value added) has not improved in a long time. It is clear that interventions so far have not yielded expected outcomes (i.e. industrialization) although there are some improvements (i.e. sectoral diversification). Some important interventions, such as beneficiation of minerals in Africa are not being vigorously pursued.
Given the aforementioned, it would seem that much more profound interventions are critical. Such interventions must address the structure of the African economy or economies in Africa. So far, the said interventions have mainly scratched the surface. That said, before delving into what fundamentally should be done about the African economy, among what can be done to tamper with the character of the African economy, there is need to focus on value creation in Africa. Industrial policies are critical to do this. It may be important, given the demographic dividend to prioritize the production of goods and services that are in high demand amongst youth. The industrial policies should also encourage patriotic entrepreneurship – perhaps we can talk of pan-African enterprises. Lastly, it is important to increase research and development with special emphasis on the industrial sector.

Towards inclusive socio-economic development

There are many things which need to be done to ensure inclusive development in Africa – and many proposals have been advanced. One of the most important interventions to be pursued is changing the approach to social and economic development. I have explained this in detail previously. In the main, similar to the argument made by many against neoliberalism, Africa requires an economic system that can work for many. Some view that system as socialism or communism. Its underlying philosophy is Marxism. Indeed, socialism could be the future that must be built.

For Africa, however, while maintaining Marxism as an analytical tool it may be important to distill a socio-economic system from Africa's development experience/approach before the encounter with the Arab world and European slavery and colonialism. Adu Boahen (1987) confirmed that colonialism resulted to single crop production in Africa and ensured that Africa is a raw material supplier to Europe and North America – we might actually be observing a similar result from Africa-China trade relations. Africa integrated inappropriately to the rest of the world (first through slave trade then colonialism). As Samir Amin (1976: 51) explains, 'African formations were integrated at an early stage in the nascent capitalist system...they were broken off at that stage and
soon began to regress...’ It is in this context that it is important to look at early economic relations in Africa, and if Walter Rodney’s description of that period is anything to go by we are actually talking of ‘economic relationships’ where produce was done in ‘common’ and shared by all members of the community, hence communalism\(^x\). I have argued for a modified version of communalism – Rodney (1973: 12) defines communalism as a system where ‘property [is] collectively owned, work done in common and goods shared equally.’ Besides this critical issue of a socio-economic development approach for Africa, it is important to revisit some of the important views regarding economic and social development in Africa.

To start with, as far as economic matters are concerned, Samir Amin proposed delinking. Yash Tandon has proposed a single currency for Africa. Ngugi Wa Thiong’o proposed Kiswahili as a lingua franca for Africa while Kwesi Kwaa Prah argues that all indigenous languages should be allowed to thrive. Many have argued for a return to pan-Africanist ideals and African nationalism. Archie Mafeje and Claude Ake emphasized the importance of agrarian revolution while Sam Moyo emphasized that attention needed to be paid on the land question as a critical component of the national question, and he insisted that – contrary to Karl Marx\(^{xi}\) – the peasantry don’t die. In the final analysis, the fundamental question is how to ensure inclusive development in Africa. Linked to this is whether developmental states are feasible in Africa.

Starting with Samir Amin, delinking refers to ‘the strict subjection of external relations in all fields to the logic of internal choices without regard to the criteria of the world capitalist rationality’ (Amin, 1990: 60). In addition, according to Samir Amin (1990: 55) delinking ‘is associated with a “transition” – outside capitalism and over a long time – towards socialism’. To be clear, Samir Amin (1990: 62) explains that delinking is not synonymous with ‘absolute or relative “autarky”, that is withdrawal from external, commercial, financial and technological exchanges.’ Samir Amin (1990: 62) is at pains to explain that delinking actually means ‘pursuit of a system of rational criteria for economic options founded on a law of value on a national basis with popular relevance, independent of such criteria of economic rationality as flow from the dominance of the
capitalist law of value operating on a world scale.’ An understanding of Marx’s conception of value, as highlighted earlier, helps in better understanding what Samir Amin says. We will come back to this issue of delinking. Although powerful, it does not go far enough for what is envisaged.

Coming to African nationalism and pan-Africanism – and deliberately making use of Thandika Mkandawire on these issues – Mkandawire has made a distinction between earlier African nationalists and the new African nationalists. He emphasizes the link between African nationalism and pan-Africanism as far as the pursuit of development is concerned. His central argument, making reference to Joseph Ki-Zebro, is that development was the primary preoccupation of earlier African nationalists. While ‘nationalism saw itself as up in arms against imperialism and the retrograde forces of tribalism’, ‘pan-Africanism, to which the African nationalists usually adhered, dictated that something be said about the eventual integration of the independent state with other independent African states’ (Mkandawire, 2005: 33). Mkandawire also acknowledges the tensions associated with African nationalism – and especially the difficult relationship between African intellectuals (after political independence of many African countries) and African nationalists (largely because some of the early African nationalists, after political independence, became authoritarian).

For Mkandawire (2002: 78), African nationalism was about: complete decolonization of the continent, nation-building, economic and social development, democratization, and regional cooperation. Pan-Africanism on the other hand, particularly after the 1958 Accra Pan-African Congress, could be viewed as a movement for both ‘collective self-reliance and new regionalism’ (Mkandawire, 2011: 31). And, as Mkandawire argues, Pan-Africanism succeeded in the complete political liberation of the continent but it has not succeeded as far as continental unity is concerned. Hence his view that the new Pan-Africanism must take on a more democratic and participatory process also involving social movements; that Pan-Africanism must talk to contemporary issues.
This is insightful as it is along these lines that Ras Makonnen (born as George Thomas Griffiths in Guyana) felt during his time with Kwame Nkrumah (as captured in Pan-Africanism from Within that was put together by Kenneth King during the time Makonnen lived in Kenya where he died in 1983). Ras Makonnen emphasized the need for a new Pan-Africanism; a practical Pan-Africanism as he put it. Kwesi Kwaa Prah and other leading pan-Africanists see the future of Africa in pan-African unity – and many of them have a positive view of African nationalism (and castigate “narrow nationalism”). As argued in Gumede (2019) it appears unlikely that inclusive development would occur in Africa until such time that there is unity and ultimately one African nation.

Regarding the question of developmental states, if Africa was able to produce some developmental states immediately at the post-independence period, Africa can be developmental again. As argued above, gains were made in the first 10 years or so of the independence period until the oil price shock of the early 1970s and the subsequent structural adjustment programmes.

Early analysis of the concept of developmental state owes much to the work of Chalmers Johnson, who explored how countries such as Japan were able to transform their economic development (Johnson 1982). There are however others who argue that developmental states can be traced further back than Johnson’s Japan (see Gumede, 2015). Woo-Cumings (1999) and other developmental state scholars view developmental states as informed by governments that intervene in the market in directing socio-economic goals. In this regard, the developmental state is said to drive economic development as well as industrialization in the interest of the public good (Mhone 2004). The concept is said to be an institutional model that adopts a statist approach to account for the high patterns of economic growth of the lately industrialized nations.

However, there is no single definition of a ‘developmental state’ (as argued elsewhere). That said, developmental states are characterized by a number of features or multiple dimensions, namely: ideological (i.e. role of the state versus market force), institutional
(i.e. state autonomy and capacity), cultural (collectivism versus individualism) and socio-economic attributes (i.e. economic growth and industrialization). It would however be important that democratic principles are prioritized in the pursuit of developmental states in Africa – although democracy does not necessarily lead to development, freedoms of peoples are critical to be sacrificed in the name of development as some Asian countries have done. It is in this context that Gumede (2018: 191) views a democratic developmental state as country which ‘pursues higher levels of socio-economic development in a participatory manner, guided by a robust long-term plan… the state has the requisite capacity, the elite is developmental in its approach influenced by a developmental ideology, and the state is appropriately organised for predetermined goals.’ This is feasible in Africa. African nationalism drove development and respectable economic performance in the 1960s and many African countries invested in education, health and other important wellbeing areas. Through social policy, working in tandem with economic policy, African economies can be developmental states again. Of course there is a bigger agenda: to fight imperialism, to unite all Africans, to transform global relations and so on and so forth. The bigger agenda implies that even with good policies and even when African countries become developmental states, sustainable inclusive socio-economic development would remain a pipedream.

Another critical issue is the land question. Related to the land question, Mafeje and Ake – more so Ake – made the point that Africa jumped an important stage (i.e. agrarian revolution) in the pursuit of economic development. It is paramount that this important point is not overlooked as Africa is still predominantly rural. Drawing on Zimbabwe’s experiences, where colonialism accompanied and bolstered by racially motivated legislation had dispossessed the indigenous people off their lands much to the disruption of their livelihood strategies, Sam Moyo explained, that peasantry remained an important part of African societies (see Moyo, 1995, 2001, 2005a). He spoke of a ‘resilient peasantry of various shapes’ (Moyo, 2004:2) which continues to push for the resolution of the national question. In the many works of Sam Moyo, it becomes clear that he was of the view that the peasantry was going to survive for a long time, and that its conditions of survival and reproduction should be taken into account in analyses. The
peasantry is seen as a unique mode of production in itself because of its ability to withstand the other forces and remain as a social group which can survive in itself (Moyo, Jha & Yeros, 2012, 2013). This, combined with the argument for agrarian revolution, implies that to fully pursue socio-economic development, it is important that the countryside is not forgotten. The countryside remains an important powerhouse of national development, economically, socially and politically. (Moyo, 1995, 1999, 2000; Moyo & Yeros, 2005).

Back to Samir Amin’s delinking argument. Perhaps there is a more political argument to be made – to disengage rather than just to delink. To be sure, Samir Amin argued for a rupture of the capitalist system (so as to birth socialism) but he largely saw an answer within the system, so to speak. This is not strange as many Marxists agitate for the maturing of a capitalist system so as to give way to socialism.

In an interview with Ray Bush, published in the *Review of African Political Economy*(2014, 41:1), Samir Amin said ‘I understand delinking as compelling the dominant forces, imperialists, to adjust at least partly or to retreat, in two areas, political and economic. At the political level, delinking implies political solidarity between countries of the south to defeat the project of military control of the planet by the US, Europe and Japan. Second, at the economic level, there is an area where I think we could start moving ahead by dismantling the current global economic control. This is to move away from financialised globalisation – that is, not globalisation in all its dimensions, particularly trade, but controlling the flows of capital, including direct foreign investment, but also portfolio investments, speculative investments and so on’ (Amin & Bush, 2014: 113).

Further on, Amin sees ‘building a sovereign project, diversifying the economy, moving along towards its modern industrialisation, completed by growing food sovereignty’ as ‘delinking, in the sense of compelling the global system to adjust to it’ (Amin & Bush, 2014: 112). So, it would seem that Samir Amin was advocating for the transformation of

Indeed, the fight for a just world should continue and the transformation of global affairs is critical. Indeed, socialism could be the future and capitalism should be dismantled. The industrialization of African economies is also important. However, if the fundamental constraint to the growth of the African economy has to do with the structure or structures of African economies and this further limits advancements in wellbeing, it follows that something more profound should be pursued. Delinking as an economic phenomenon could be coupled with disengaging as a political project.

As argued in Gumede (2019: 60), ‘taking Samir Amin’s view forward, an argument is made that Africa can “disengage” from the Global North because Africa connected with the rest of the world incorrectly – Africa can then re-engage at a later stage on its own terms.’ As Gumede (2019:64) puts it,

Amin (1990: 67) argues that in order for effective development to occur in the Third World countries, the Third World must ‘delink’ from the global capitalist system. He suggests that underdeveloped countries need to adopt new market strategies and values that are different from those in the developed world. The ‘delinking’ agenda is essentially a preparatory phase for the ‘socialist transition’ in the Third World. I am suggesting that Africa must ‘disengage’ from the rest of the world rather than just ‘delinking’ together with the rest of the Third World. Africa was wrongly integrated into the rest of the world, mainly through (or starting with) the slave trade. The process of ‘disengaging’ goes further than ‘delinking’. It is not about preparing for socialism, although it could result to socialism. Disengaging would allow Africa to get its house in order, so to speak, then reintegrate with the rest of the world in its own terms rather than the terms that were imposed on it. Therefore, disengaging is not an economic process like delinking. It goes a step further in the sense that it would not only allow Africa to adopt market and production strategies that are different from the global capitalist system, but would also allow Africa to resolve many pressing issues.

To transform the structures of African economies, it is important not only to delink but to fully disengage as captured in Gumede (2019). It might be that most of Africa has actually become Africa of concession companies. This is over and above many western parts of Africa remaining Africa of the colonial economy and southern Africa remaining Africa of labour reserves. At a political level, all African countries seem to be unable to advance wellbeing. Africa does indeed need to get its house in order. Ironically, it is the
so-called developed world (and also China) that need Africa more than Africa needs the rest of the world. In the meantime, as part of building up to disengaging, it is important that developmental regional integration is rigorously pursued. As argued elsewhere, the sub-regions in Africa (i.e. west, east, southern and central) should have anchor economies and produce that which can be traded with other sub-regions within Africa. In addition, as Kwesi Kwaa Prah argues, indigenous languages should be allowed to thrive – and perhaps a pan-African business language might ultimately emerge so as to promote trade within Africa and among African countries. Ultimately, the federation of African countries should culminate to a political union that can relate with other continents/regions or countries better.

Conclusion

The paper is an attempt to rethink the African economy or economies in Africa, inspired by works of Samir Amin, Thandika Mkandawire and Guy Mhone. Having examined the performance of the various countries in Africa in terms of social and economic development, drawing from ideas of some leading development thinkers in Africa, the paper proposes that if Africa is to advance it would be important to pursue some of the ideas that have previously been presented – and in some cases refine those ideas, or be mindful of those ideas.

The fundamental argument of the paper is that Africa could disengage – taking forward Samir Amin’s delinking hypothesis – for some decades then reconnect with the rest of the world after redressing the structure of the African economy. Essentially, the African economy largely depends what it was made to be by colonialism. Before colonialism, and particularly the pre-mercantilist period in Africa, the African economy was advancing well. Immediately in the post-independence period there were attempts to advance wellbeing in Africa but that was short-lived largely because the African economy gets affected by what happens in the so-called global economy. The recent global economic crisis, for instance, has further compromised wellbeing in Africa even
though that crisis originated in the United States of America. The paper is cognizant of the reality, however, that pan-African unity is a precondition for the many proposals made.

References


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iv The selection of countries is informed by development debates: some of the selected countries are viewed as advancing faster than the rest of economies in Africa and some have major socio-economic challenges while others are not usually discussed in many studies that deal with social and economic development in Africa. Nigeria and South Africa have been included because these are two biggest economies in Africa.


vii As Samir Amin puts it, “the mercantilist period saw the emergence of the two poles of the capitalist mode of production: the creation of a proletariat and the accumulation of wealth in the form of money” (p319).

vii See the book (Wither the Franc Zone in Africa), based on a conference that took place in 2012 in Dakar/Senegal.


xi Karl Marx viewed the peasantry in two ways: owner of the means of production (which is land) but also a provider of own labour. As such, for Marx, the peasantry would either be transformed into capital and start hiring labour or it would have to join the working class to steer the revolution.
