Politicians and economists in sub-Saharan Africa claim that the eighties were a lost decade for Africa. Statistics justify this statement and prospects for the future are uncertain. Will the structural changes presently taking place in the world economy have a positive influence on development in sub-Saharan Africa? Are there helpful lessons to be learned from the experiences of eastern Europe?

The situation in Africa has been the subject of discussion by various organizations, institutions and individual economists, the major results perhaps being the World Bank’s Report on Sub-Saharan Africa 1989, “From Crisis to Sustainable Growth – A Long-Term Perspective Study”, and the UNECA paper of the same year, “African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation (AAF-SAP)”. The various views expressed differ basically in the role they impart to structural adjustment within contemporary Africa. Some argue that structural adjustment programmes (SAPs) have created Africa’s crisis. Others maintain that SAPs correctly address the real problems.

In AAF-SAP it says, “The main thrust of AAF-SAP is its holistic nature in which the macro-economic framework, the policy directions and measures, and the implementation strategies take into account the dynamic relationships existing among all major elements related to adjustment with transformation. Thus, the dichotomy between structural adjustment and long-term development is eliminated. The alternative framework also puts great emphasis on the full mobilization and efficient utilization of domestic resources and the need to establish an enabling environment for sustainable development and to adopt a pragmatic approach between the public and private sectors. Above all, at the centre of the alternative framework is the human dimension – the recognition that it is only through the motivation and the empowerment of people as well as the ensuring of the equitable distribution of income that development can take place on a sustainable basis.” And, “It should have become abundantly clear by now that, both on theoretical and empirical grounds, the conventional SAPs are inadequate in addressing the real causes of economic, financial and social problems facing African countries which are of a structural nature. There is therefore an urgent need for an alternative to the current stabilization and adjustment programmes in Africa. Such an alternative will have to take into consideration, among other things, the structure of production and consumption and the people who are the main actors in the development process.”

It is doubtful whether what has happened has been so different from what could have happened without SAPs – simply because there was no choice. In our opinion implementation of structural adjustment policies is the political expression of the economic situation. Any improvement of Africa’s predicament is dependent on changes in the world economy. This paper will point out some of these changes.

Whilst external conditions are important for any national economy, development can only be achieved by internal forces. No external support or investment can substitute for internal efforts. That is why it needs to be emphasized that whatever the reasons for underdevelopment in Africa were – whether it was the weather, terms of trade, the colonial legacy or policy...
DEFINITIONS - economic transformation and recovery has to be done by Africans themselves. The decisive role of the people in development is the main focus in the African Charter For Popular Participation In Development And Transformation, the heart of the AAF-SAP as well as the point of departure for "new generation SAPs". But how can people be prompted to actively participate in economic transformation? In answering this question the various concepts differ.

This paper tries to use the east European experience by examining certain theses and points more closely. It is asserted that there is a need for an in-depth analysis of people's motivation for development instead of only discussing macro-economic data and financial imbalances or politically assessing certain steps of governments or organizations. The paper seeks to establish whether some economic measures hinder or promote people's initiative. In doing so it provides an attempt to contribute to the ongoing debate on the modalities of socio-economic development in sub-Saharan Africa.

Changes in the International Set-up

Important indicators of sub-Saharan (excluding South Africa and Namibia) Africa's stand in the international economic community are a steadily declining share in world trade, less international capital being attracted to Africa and a deepening gap between sub-Saharan Africa and the rest of the Third World. Official development aid tends to stagnate and intra-African economic cooperation is seriously limited by economic and political factors although there are signs of fruitful bilateral economic relations, for instance between transport companies in Tanzania and Kenya.

But what are major alterations in the international environment?

- Industrialized countries are limiting and reducing the consumption of raw materials by using various methods:
  - economical use of materials and energy (taxes, prices);
  - introduction of energy and material saving technologies;
  - application of new technologies to replace traditional materials (biotechnologies).

The strategy of textile industries, for example, is firstly, to monopolize cotton production in order to ensure a continuous supply and secondly, to find new artificial fabrics incorporating the advantages of both conventional chemical and natural ones. This aims at becoming independent of the natural product with all its uncertainties.

- Diversification and integration in product developments have been leading to a more knowledge-intensive production process in which the infrastructure as a whole plays an exceedingly essential role. For the location of production capacities, an advanced infrastructure including a communications and information network and research institutions is of increasing importance.

Both tendencies lessen the importance of the Third World and particularly sub-Saharan Africa as a raw material or cash crop producer and as a location for future manufacturing capacities. In addition, the changes in eastern Europe attract goods and - to a smaller extent - capital from the West and thus further diminish incentives for capital to leave already advanced areas. Excess capital is not brought to sub-Saharan Africa and the availability and mobility of capital has deteriorated. The comparative advantages are less attractive. The same applies to externally deposited African capital. Eastern European business is boosting civil industries chiefly in western Europe and Japan and shifting the periphery of the First World to countries like Bulgaria and Romania. The investments in eastern Europe, however, would not have gone to sub-Saharan Africa if there had been no change in Europe, but would have remained in the West. Furthermore, the transformation of state economies into market economies has already increased the pressure on the Third World to change as well. The capitalist social market economy has proved to be the most efficient and stable economic system at present.

Changes in Global Issues

Dialectically there are, at the same time, tendencies running counter to the further marginalization of the Third World which arise from global issues. The Cold War has damaged the future potential of the economies of the superpowers and its other main actors. Nowadays wars are more successfully waged in the economic field. Or in other words, international relations have got down to business. The eastern European transformation and the Gulf War are both uncovering and speeding up this process. Countries still pursuing militarily aggressive policies can only be on the loser's side in the long run - even and particularly if they win wars militarily. This should be alarming for developing countries as their arms market seems to be still expanding - accelerated by arms exports due to the reduction of these from Europe.

International economic stability is still very fragile though political and economic crisis management has