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Out of the Trap

The argument of this study is that the uneven process of globalisation, reinforced short-term and long-term contradictions, and a new pattern of conflicts has resulted in a need for the political elites in the Western countries to redefine their national security interests vis-à-vis Sub-Saharan Africa. This need has been accentuated by the end of the Cold War. A consensus has been reached by a more reformistic economic and political elite with enlightened self-interest on the importance of allowing an African bourgeoisie to emerge that can elaborate and implement an inclusive process of accumulation, facilitating increased local participation, purchasing power and rehabilitated social trust. In order to avoid the trap of low-level security equilibrium, there is a need for an alternative development strategy that combines constructive aspects of modernisation with values from the traditional sector.

This study further argues that transnational developmental interests are coinciding with the interests of the African elite, whether the economic activities of the latter are internally or externally oriented. Contradictions within the present structures, both in the world order and in the national and local social relations of production (Cox 1987), have begun to constrain the fulfilment of the national elite’s economic and political aspirations and have thereby begun to challenge its survival as a social group. Reduced possibilities for an externally based legitimacy that permits a response (coercive or democratic) to increased popular demands forces the African elite to turn inward, to strengthen its vertical links with civil society and to seek an alternative development strategy.

As highlighted in this study, the implementation of a poorly designed structural adjustment programme has not solved the economic problems created by earlier government failures to establish conditions for development in rural areas. On the contrary, the problem has been aggravated by additional market failure. In the economic vacuum created by the crisis of the state and the lack of institutions enabling the transition from a state-led economy to a more market-oriented economy, new economic zones have emerged, from the interest of the rapidly expanding illegal international network, be it in
the production of narcotics, illicit drugs trade, arms trafficking, the unregulated storage of toxic waste or money laundering. The legitimacy of the state has eroded even further and social instability has increased in both rural and urban areas.

Of special concern is how the more individualistic Western development thinking, together with the inability of the state to offer protection and security, is rapidly destroying traditional horizontal linkages in the villages, substituting them with vertical relations and a new social relationship in the form of informal but protective landlordism. Even though this development constitutes a society’s defence against the influence of a perverted market economy, this social protection is not necessarily progressive, and history shows how it tends to reinforce social distrust (Polanyi 1957). In a southern Africa context this could mean that organised violence in the countryside becomes permanent. Although there are major differences, there are enough similarities between the development of rural Mafia-dominated capitalism in southern Italy during the 1800s and current developments in the countryside of Angola and Mozambique to cause serious concern.

These circumstances require an analysis of whether or not it is possible, in the short run, to adjust the country’s economy through restrictive monetary policies aiming at increased export earnings and decreased budget expenditure. Our findings question the logic behind the design of the structural adjustment programme in poor countries like Mozambique, namely the wisdom that a macro-economic balance is a short-term prerequisite for achieving structural transformation in the long-term. The chronic imbalances during the colonial times point to the need to start the other way around. A comprehensive structural transformation of the countryside, increasing productivity, demand and domestic market expansion, should be carried out before any macro-economic balance can be achieved.

This is not to say that structural transformation should neglect the importance of correct macro-economic policies. The budget must have the long-term possibility of being balanced, the financial gaps closed, the inflation rate acceptable and the foreign exchange rate realistic. However, the problem is not only a question of correct timing and sequencing: the measures so far taken have emphasised macro-economic policies too strongly at the expense of the needed poverty eradication.

**Searching for a way out**

In the search for a way out, the pattern of the present economy set in the colonial days of an externally-oriented economy must be transformed through a more inward-looking strategy aimed at satisfying the basic material and non-material needs of the population.

The design of such a development strategy must take into consideration the requirements for enabling the settlement achieved to develop into a more