# Poverty Reduction and Governance in the African Periphery

A critical analysis of the World Bank's Poverty Reduction Strategy in the political economies of sub-Saharan Africa

> Joshua Phillippo-Holmes 311227228

#### **Honours Thesis**

Submitted as partial requirement for the degree of Bachelor of Political, Economic and Social Sciences (Honours), Political Economy. University of Sydney. October, 2014.

## Declaration of Originality

This work contains no material which has been accepted for the award of another degree or diploma in any university. To the best of my knowledge and belief, this thesis contains no material previously published or written by another person except where due reference is made in the text of the thesis.

### Acknowledgements

Sincere thanks to Joy Paton, whose guidance, generosity and patience have been invaluable throughout the year. Thanks also to Elizabeth Hill, Franklin Obeng-Odoom and Stuart Rosewarne for instilling in me the confidence and tools with which to be more analytical and critical in my research.

I must also acknowledge my Mum for her devotion, insight and selflessness over the last year, she will always be the first person I turn to. Thank you also to my brothers Oli and Jack for their strength and ability to keep my feet on the ground. Thank you to Phoebe, without whom I would be lost, her love and understanding kept me going.

Lastly, I would like to thank my Dad who laid the foundations for everything I have learnt and will discover. I wish that he could have seen the finished article, I know this achievement would have made him immensely proud.

### **Abbreviations**

CCT Conditional Cash Transfers

GNI Gross National Income

GNP Gross National Product

HDI Human Development Index

HIPC Heavily Indebted Poor Country Initiative

HIPC2 Enhanced Heavily Indebted Poor Country Initiative

IFI International Finance Institutions

ILO International Labour Organisation

IMF International Monetary Fund

ISI Import Subsidisation Industrialisation

NGO Non-Government Organisation

OECD Organisation of Economic Co-operation and Development

PPA Participatory Poverty Assessments

PRS Poverty Reduction Strategy

PRSP Poverty Reduction Strategy Paper

PRSS Poverty Reduction Strategy Sourcebook

PSNP Productive Safety Net Programme

SAP Structural Adjustment Programme

UNDP United Nations Development Programme

# Table of Contents

Introduction	1
Chapter One: African Development and the Poverty Reduction Strategy	
	10
The State of Development in Africa	11
Addressing the 'crisis': Structural Adjustment and a Neoliberal Consensus	12
The Poverty Reduction Strategy: Embedding and Appropriation Conclusion: Continuity and Legitimacy	14 19
Chapter Two: The Ideological Mechanisms of the Poverty Reduction Stra	tegy:
Inclusion, Empowerment and Security	
	20
Inclusion: Consent and Coercion in International Capitalism	21
Empowerment: National Strategies and Indebted Subservience	24
Security: Stability and Social Reproduction	27
Conclusion: Rhetoric, Mediation and Re-enforcing Past Failures	28
Chapter Three: The Institutional Mechanisms of the Poverty Reduction Strategy: Labour and the State	
	31
Operationalising the PRS: Commodifying Land and Labour	32
Institutionalising the PRS: Re-structuring Governance	36
Conclusion: Limitations to Implementation	42
Chapter Four: Impediments Confronting the Poverty Reduction Strategy:	:
Realities of the African Periphery	43
Accumulation and Africa's 'Grafted' Capitalism	44
Structural Disarticulation in Africa: Domestic and International Origins	45
More than just Markets: Impediments to Growth in sub-Saharan Africa	47
Conclusion: Territorialising the Poverty Reduction Strategy	52
Conclusion	53
Appendices	57
Bibliography	66

### Introduction

During the 1980s, in what is sometimes referred to as 'the lost decade'<sup>1</sup>, an extensive project of social and economic transformation gripped sub-Saharan Africa. The International Financial Institutions (IFIs) – comprising the World Bank and International Monetary Fund (IMF) – sought to address a perceived 'developmental crisis' through reform designed to reconfigure African political economies and integrate them further within an increasingly globalised structure of production and accumulation (Chase-Dunn, 1998: xviii; Easterley, 2005: 1). Since the turn of the Millennium these reforms have been complemented with a developmental paradigm focussed on the process of poverty reduction and the role of governance, as both State and market-led strategies have failed to significantly improve the livelihoods of most Africans (World Bank, 1997: iii). Sub-Saharan governments and their citizens are in the throes of a global project which pursues the "transformation of society" and the re-interpretation of accumulation, social reproduction and democratic representation according to World Bank development policy (Stiglitz, 1999: 582 cited in Harrison, 2004: 3).

In this context, the mandate of the World Bank has been transformed from the provision of loans for post-war reconstruction into one of "ending extreme poverty and promoting shared prosperity" worldwide (World Bank, 2013: 7; Stiglitz, 1999: 577). The World Bank is directly implicated in the governance of 39 nations under the heavily indebted poor country (HIPC) initiative, affecting over a billion of the world's poorest (Quattri & Fosu, 2012: 2). With 36 of these countries in sub-Saharan Africa, the region is at the centre of the latest phase of a "wider historical Liberalism" in development theory, a project with a long history "of promising relief from poverty to those who respected, above all, the rule of law, and the property rights of the powerful" (Craig & Porter, 2006: 7; Sheppard & Leitner, 2010: 189).

\_

<sup>&</sup>lt;sup>1</sup> This term describes the period between 1980 and 1990 in which African countries experienced drastic increases in absolute poverty and declining social indicators such as infant mortality, life expectancy and educational attainment (Easterley, 2001: 135; Aina, 1993: 11).

The division of labour between the IFIs was redefined in 1998. The IMF was designated to macroeconomic policy prescriptions and "growth oriented stabilisation policies", while the World Bank was given an expanded mandate to "compose and approve development programmes and priorities, including structural and sectoral policies" (Wolfensohn, 1998: 5, 8). The World Bank is, therefore, the institutional locus for contesting and reconciling the contradiction between the exploitative relations and exigencies of global accumulation circuits, and the stability and prosperity required to improve the livelihoods of the world's poorest (Robinson, 2012: 359). The unique position of the World Bank has stimulated intense debate regarding its role in protecting and enhancing the lives of the poor in Africa within the milieu of 'neoliberal' globalised capitalism<sup>2</sup> (Kyung-Sup et al, 2012: 270; Taylor & Nel, 2002: 163).

An extensive range of professional, academic and non-governmental organisation (NGO) publications exist on different aspects of this debate. The publications of the World Bank and NGOs acknowledge persistent poverty. However, analysis of policies *per se* is, typically, eschewed in favour of identifying technical difficulties in the *implementation* of reform policies or specific avenues for progress articulated in World Development Reports. Furthermore, there is often a selective "appeal to relatively new and untested research as hard evidence that [the Bank's] preferred policies work" (Deaton et al, 2006: 6; Elson & Catagay, 2000: 1350). From this literature, several progressive re-constitutions of the World Bank's development strategy have been promoted including 'pro-poor accountability', 'good governance' and the participation of civil society (Ravillion, 2004: 1; Woods, 2000: 824; World Bank, 2013a: 11). The emergence of these objectives in the poverty reduction parlance has achieved only marginal improvements in holistic poverty indices, constrained as they are by the *modus operandi* of capitalism in Africa.

The PRS conflates market liberalisation with a range of human capital and 'safety net' provisions, designed to promote the active participation of the poor in the "inclusive

\_

<sup>&</sup>lt;sup>2</sup> This thesis recognises the capitalist materialist basis of the phenomena described as 'globalisation', which is often presented as a depoliticised and disingenuous way to refer to the spread of capitalism throughout the world (Gimenez, 2004: 86). The thesis also acknowledges that while globalisation is not a new phenomenon, the prefix 'neoliberal' is added to identify the most recent phase of globalised social relations between capital and labour (Bourdieu, 2003: 50).

world economy" (World Bank, 2002: 155). Indeed, the institutional framework that facilitates this globalised regime is sometimes equated to 'development' itself (Rodrik, 2001: 34). The PRS pursues the extension of formalised capitalist production and exchange, and a persistent openness to capital flows as a means by which savings and foreign exchange constraints on growth can be overcome (Cousins et al, 2005: 1). Under this model, African political economies with a stable environment for investment would always attract the foreign capital to cover 'resource gaps' which characterise a neo-classical interpretation of underdevelopment (Easterley, 2006: 289; du Toit & Moolman, 2004: 647).

The mainstream academic literature regarding the World Bank's role in sub-Saharan development overlooks the contingent structural and material roots of Africa's present position in the global economy (Simon, 1989: 68). There is an unquestioned assumption in orthodox research that there is no fundamental contradiction between the pursuit of 'inclusion, empowerment and security' for impoverished communities and the World Bank's developmental strategy. However, the strategy exposes the very same population to the exigencies of internationally competitive labour markets, conditioning domestic structures of production that prioritise the exploitation of African labour and export of basic commodities (Cornwall & Brock, 2005: 1050; Bernstein, 1998, 3) The structural disarticulations of African political economies also remain under-theorised. Extant studies engage with the Bank's Poverty Reduction Strategy (PRS) in their own terms and critique particular design and implementation failings, rather than problematising the 'inclusive', depoliticised strategy to transform African social relations and governance itself (Lange, 2008: 1122).

Given the widespread acceptance of its theoretical and methodological principles, it is important to critically reflect upon the assumptions and implications of the Poverty Reduction Strategy in Africa. The vast majority of extant scholarship accepts World Bank policy as a pragmatic, politically neutral response to the remote and inexorable force of globalised capitalism (Williamson, 1997: 119; Chen & Ravallion, 2004: 141). The emphasis of these studies is on the 'effectiveness' of poverty reduction policies and the relationship between the World Bank and its debtors (Driscoll & Evans, 2005: 5; Dijkstra, 2005: 443). While many analyses have sought to more adequately incorporate the structural position of the World Bank and IMF as the central

institutions for the orchestration of capitalism in the developing world, they typically investigate how the hegemony of global capitalism impacts upon African political economies, with a polemic historical foundation of 'Africans as victims' (e.g. Easterley, 2009: 26; Stewart & Wang, 2004: 290). By focussing exclusively on the hegemonic role of the World Bank in re-constituting social relations and governance such analyses exclude or conceal the dialectics that determine how these policies are experienced in African political economies. Conclusions that arise from these studies overlook the historical foundations of capitalism in the region and the milieu that determines the social relations and governance in African societies (Harrisson, 2004: 53; Cooper, 1993: 83). Finally, an appreciation of the multiplicity and disparity of social formations in Africa is largely absent from critical development literature, which typically applies broad regional brushstrokes or considers individual instances with limited reference to the wider implications for African development as a whole (Marais, 2001: 83).

To extend this scholarship, the incremental adjustments of policy design, implementation and conditionality must be conceptualised within the broader conjuncture of production relations and uneven development that are essential to the continuation of global capitalism (Robinson, 2004: 2). To this end, this thesis combines an understanding of the essential relations and historical tendencies of the capitalist dominated social formation, with an appreciation of the contingencies and contestation that inform its structure and purpose. Following the conceptions of poverty and development from the Marxist tradition - comprising 'neo-Marxist' structuralism and world-systems theory - this thesis views the PRS as a dynamic process orchestrated by the World Bank to facilitate the accumulation of capital within a social framework of alleviating poverty and promoting 'development'. While traditional Marxism considered development in a uni-linear progression of stages (Marx, 1976: xvii), more contemporary theories conceptualise 'capitalist development' as being conditioned by relations of production, commodity chains, divisions of labour and geo-political relationships operating at a global scale (Klak, 2008: 121; Desai & Potter, 2014: 107). Such a Marxian understanding of Africa's peripheralisation within the global social structure of accumulation provides a framework through which to interpret the embeddedness of the PRS in broader political and economic processes, and its failure to significantly improve the

livelihoods of the impoverished in Africa (Arrighi, 1979: 161; Wallerstein & Martin, 1979: 193).

Understanding the apparent contradiction in the intentions and methodology of the World Bank, through a political economy analysis of the Poverty Reduction Strategy in the African periphery constitutes the main objective of this research. The thesis comprises a theoretical, historical, institutional and empirical examination of the PRS and the wider political-economic context of underdevelopment in Africa. The liberal development paradigm which informs the PRS is multi-faceted, but centred around a handful of principles aligned with the market as a means of efficient distribution (Gore, 2000: 789). The principles are logically sequential, describing enhanced 'market opportunity' for the poor, to be administered under a rubric of 'good governance', designed to facilitate 'inclusion', 'empowerment' and 'security' (Porter & Craig, 2004: 413; Bevan et al, 1991). Among these terms, 'inclusion' is the most prevalent and contradictory, with its meaning underpinned by the process of integration into the global capitalist economy (Bwalya et al, 2004: 4). Despite a revision of the objectives, method, and reception of poverty reduction efforts, the foundational logic of the PRS remains the "entanglement of all peoples in the net of the world market, and, with this the growth of the international character of the capitalist regime" (Marx, 1976: 536).

Two further concepts are worth elucidating here. First, the Marxian emphasis on the "state of flux" facilitates an analysis which transcends static or binary conceptions of the demographic and migratory transitions which characterise contemporary Africa (Engels, 1890: 1). Both a synchronic and diachronic perspective are necessary to conceptualise the manner in which social formations are organised and re-organised according to domestic class relations, the vicissitudes of the international market or the reform of the IFIs (Obeng-Odoom, 2013: 152). The extent of capitalist relations in sub-Saharan Africa, which is characterised by 'enclaves' of productive enterprises supported by migratory informal labour and rural communal agriculture, necessitates a perspective of dynamism and contingency as well as an acknowledgment of the empirical specificity inherent to a culturally and geographically diverse sub-continent (Bertocchi & Canova, 2002: 1851; Cox & Negi, 2010: 80).

Second, a structural approach situates sub-Saharan Africa in the periphery of a globalised social structure of accumulation, with the World Bank and IMF as the principal institutions of the orchestration and governance of international capitalism (Arrighi, 1979: 163; Cammack, 2007: 191). Following Brenner (1977), this view is premised on the primacy of production relations rather than undue emphasis on the sphere of exchange evident in the IFI approach. The World Bank's discursive and programmatic rhetoric to reduce poverty obfuscates the fact that liberalised market reform serves to exacerbate the disarticulations of Africa's political economies and perpetuate, rather than address, the existing impediments to growth and improved livelihoods (Harrison, 2004: 4; Grindle, 2004: 527).

This thesis provides an alternative engagement with the development agenda of the World Bank. It investigates the trajectory of IFI policy since the 1980s inclusive of the relations of globalised capitalism which are reflected and reproduced within that trajectory (Zack-Williams et al, 2006: 501; Gilpin, 2011: 9). Central to the analysis is a critical engagement with the key policy mechanism: the Poverty Reduction Strategy (PRS). This thesis problematises the logic and methodology of the PRS as well as the assumptions which inform its approach to African political economies. It argues that the PRS has failed to substantially deliver on its expressed goal of poverty reduction in Africa because it pursues a strategy of capitalist accumulation that is antithetical to improving the livelihoods of the poor. In doing so, the PRS fails to accurately identify the impediments to accumulation, enhanced productivity and increased representation posed by the historically specific conditions of the African context. The scope and argument of the thesis is developed over four chapters.

Chapter One delivers a constructive though critical engagement with the progression of IFI policy in Africa since the 1980s. This account contextualises the theoretical foundations and contestations that inform the World Bank's contemporary strategy (Birdsall & Londoño, 1997: 34; Stiglitz, 1999: 580). The chapter argues that the 'reform triumvirate' of privatisation, liberalisation and deregulation has been a pervasive factor of 'development' policy from the much-maligned Structural Adjustment Policies to the most recent incarnation of the PRS (Rodrik, 2006: 974). Foregrounding this continuity demonstrates the reproduction of past failings in successive strategies for reducing poverty in Africa, and facilitates a deeper

understanding of the World Bank and IMF as institutions that orchestrate and legitimise the extension of global accumulation circuits in the developing world (Taylor, 2005: 153; Cammack, 2002: 36). The chapter concludes that the 'comprehensive' facets of the PRS are subsumed into a broader logic of integration, which aligns African economies with the norms and practices of the globalised structure of accumulation (Cammack, 2004: 193; Rückert, 2006: 36).

Chapter Two builds on these insights and problematises the 'rhetorical' pillars of the PRS: inclusivity, empowerment and security. These concepts are identified with the predominance of international market structures over substantive reform to reduce poverty. First, 'inclusivity' is re-interpreted as a logic of integration for African political economies into peripheral relations within the international market (Prempeh, 2006: 85; O'Brien, 2000 46, 188). Second, 'empowerment' of national governments through 'country ownership' and 'good governance' provides the impetus for the transformation of relations of governance in sub-Saharan Africa. Third, the chapter identifies the contradictions inherent in the PRS's promotion of 'security' for the poor in the context of a commodified regime of social reproduction and the promotion of 'human capital' to facilitate participation in the international labour market. The chapter concludes that the rhetorical pillars of the PRS are a vehicle to mediate, legitimise and obscures the contradictions between market-oriented reform on the one hand, and improving the livelihoods of the poor while asserting 'national ownership' from without on the other (Ruiters, 2007: 488).

Chapter Three elucidates the processes and relations which operationalise the PRS. First, the chapter foregrounds the role of labour, positing that the PRS pursues the proletarianisation of the African population as a programme to extend formalised production relations and attract foreign investment. This requires the commodification of land and the dispossession of the population. The depoliticised role of the state within the PRS facilitates the process of proletarianisation while restricting state capacity to directly promote projects that could provide employment for the subsequent workforce. Second, the chapter interprets the reconfiguration of the state to provide an institutional and socio-legal environment that is conducive to foreign investment. It further identifies this configuration of the state is unable to utilise the increased circulation of capital to promote the development of the national political

economy. The chapter concludes that the operationalisation of the PRS through policies concerning labour and the state have failed to generate the conditions for poverty reduction because they are premised on a model of endogenous capitalism. Indeed, the foundations of the PRS exacerbate and perpetuate the impediments to its objectives, because it fails to appreciate the structural disarticulations of capitalist development in sub-Saharan Africa.

In order to understand the obstacles to economic growth, Chapter Four shifts to a focused examination of the political economies of the African periphery, explicating the historical conditions of Africa's unique mode of 'grafted' capitalism. (Ndlela, 2007: 88; Pellicani, 1994: 109). The chapter draws upon Samir Amin's theory of 'disarticulation' to identify the prevalent dislocations at play in Africa between production and consumption, formal and informal economic activity, productive and speculative capital, and agriculture and industry (Amin, 2011: 142; Wilkinson & Webster, 1982: 3; Shivji 2008: 14-16) The chapter concludes that the peripherisation, sectoral imbalances and demographic specificity which determine – and are determined by – the relations of production in sub-Saharan Africa are central to an understanding of capitalist development and poverty, and that their absence from the considerations of the PRS necessarily perpetuates Africa's decoupled relationship with the global economy.

The thesis concludes with an appraisal of the broader implications of the Poverty Reduction Strategy for development in the African periphery. First, the PRS replaces the orthodox development agenda of "stabilise, liberalise, privatise," with a subtler and seemingly more participatory strategy to pursue the same ends. This approach has failed to address the causes of African poverty because it does not reconcile the historically specific African conditions with a strategy of integration with global circuits of capital. However, the prevalence of the 'inclusive neoliberal' strategy should not be seen as a teleological effect of the contradictions inherent in globalised capitalism but as a manifestation of the contingency and dialectics which shape the World Bank's development agenda (Mahon & Macdonald, 2009: 185). Second, the PRS disempowers the African poor, promoting their participation in the exigencies of a disarticulated market located on the periphery of a globalised structure of accumulation as 'secure' and 'inclusive'. Simultaneously, it delegitimises their ability

to collectively gain more democratic representation in African governance. Ultimately the achievement of a genuine strategy of poverty reduction necessitates a domestic process to enhance state capacity in conjunction with higher and more equitable income distribution. This entails a reversal of the 'intrusive' mode of conditionality and development strategy. It also requires an appreciation of the role that contingent relationships within elite groups (particularly between the interests of state and capital) and relations between African elites and the broader polity play in reconstituting class relationships, forms of representation and the distribution of wealth. However, the widening consensus regarding the efficacy of neoliberal development policies currently poses an obstacle to domestic reform, perpetuating Africa's endemic poverty and its peripheral position in the global political economy.

### Chapter One:

### African Development and the Poverty Reduction Strategy

This chapter elucidates the development and design of the Poverty Reduction Strategy (PRS) and its precedents as the product of social contestation over the pursuit of 'development' in Africa. The purpose and meaning of 'development' has not had a clear definition since its inception (Rist, 2007: 486). Market-oriented structural adjustment had almost discredited the notion entirely in the 1980s, with the 'post-developmentalist' school dismissing it as a "pernicious discourse" informed by unilinear modernisation theories (Tamas, 2007: 901; Ferguson, 2005: 166). The dialectic between progressive development theorists and World Bank orthodoxy precipitated the emergence of a revised policy framework which re-centred poverty reduction. The PRS has proved relatively successful in repositioning the World Bank as a pragmatic and neutral repository for 'development knowledge' and the promotion of a broader consensus around an 'inclusive' policy agenda within which market-led growth and integration with global accumulation circuits could be pursued in heavily-indebted African countries (World Bank, 1999: 140).

This chapter argues that the World Bank is increasingly involved in a project to transform social relations and further integrate the African political economies into a globalised structure of capitalist accumulation. First, the chapter details the extent of development in Africa, emphasising the factors that underpin its status as the world's 'poorest' region and the potential opportunities suggested by some indictors. Second, the chapter analyses the key facets of the intense period of institutional and structural change that was precipitated by the Structural Adjustment Policies (SAPs) implemented by the International Monetary Fund (IMF) and World Bank in Africa throughout the 1980s and early 1990s. The third section analyses the emergence of the PRS in the context of contestation between states, capital, and "enlightened reactionaries" over the purpose of development and the control of debt-relief (Polanyi, 2001: 165). The revised agenda constitutes a rubric of governance and social relations in Africa that comprises a set of integrated ideas and specific

programmes for achieving poverty reduction through more participatory allocation of debt-relief towards social services and a macroeconomic structure designed to facilitate capitalist accumulation and formalised production and exchange. The chapter concludes that the emphasis placed upon social policy targetted at poverty reduction remains, in most instances, subsumed within a persistent market-oriented logic that aims to facilitate global accumulation circuits and economic activity capable of servicing the debt obligations of many African countries.

#### The State of Development in Africa

At the start of the new Millennium, the prospects for African development seemed bleak. With few exceptions, economic indicators were discouraging, corruption, civil conflict or dictatorial states were prevalent, and infrastructure was dilapidated or nonexistent (Bertocchi & Canova, 2002: 1853; Moyo, 2010: 3). In the last decade, however, there have been signs of marginal improvement across the continent. Many African economies have achieved annual growth rates exceeding 5 percent consistently (OECD, 2014: 22). The majority hold some form of democratic elections and have improved in holistic indices such as the inequality adjusted Human Development Index (HDI) (UNDP, 2014: 2). There are three features that have facilitated the potential opportunities suggested by these indicators in the past fifteen years. First, the price of raw commodities such as oil, copper, coffee and rare minerals has risen, fuelling exports in African economies that have benefitted from foreign investment in 'extraction' infrastructure and a higher demand for luxury consumer goods from the burgeoning middle classes in other developing regions (OECD, 2014: 341; Broadman, 2007: 3-4). Second, and contrary to the "hopeless" label which accompanies Africa's social indicators, there have been some noteworthy advances, with the rate of HIV falling across the region and rising primary education attainment (Economist, 2011; Barro & Lee, 2013: 43). Third, democratisation in sub-Saharan Africa has increased, with 600 million Africans expected to elect their own leaders in 2014-15 (Mozaffar, 2002: 86; OECD, 2014: 18).

Despite the important advances in political and socio-economic stability, the overall trend of poverty alleviation remains a troubling one. Sub-Saharan Africa has an average per capita income of little more than US\$4 a day, making it the poorest

region in the world (World Bank, 2013). Real per capita income in sub-Saharan Africa (excluding South Africa and the Seychelles) was US\$ 315 p.a. in 2001 which, when adjusted for inflation, was lower than it was in 1960 (Hanke, 2001; Ellis, 2012: 209). Since the inception of the PRS in the late-1990s, the amount of people living below US\$1.25 a day has increased from 349 million to 416 million, although the percentage of the population this represents has fallen to below half (Appendix One: Regional Poverty Trend, World Bank, 2014). Average per capita income in sub-Saharan Africa between 1993 and 2008 barely moved from US\$742 to US\$ 762 (Lakner & Milanovic, 2013: 1) Africa's share of global trade in terms of value added grew almost imperceptivity from 1.4 percent in 1995 to 2.2 percent in 2011. The growth indicated by increases in gross national income (GNI) per capita has widened the inequality of income distribution, as the demographic in absolute poverty persists while export oriented macroeconomic strategies benefit local elites (Appendix Two: Distribution of GDP per Capita, IMF, 2014: 22).

Persistently high poverty indicators suggest that Africa's economic performance has "decoupled" from the development trajectory of the rest of the world (Kose et al, 2012: 512). Given the historical origins of Africa's extraverted political and economic relationship with international actors and the intrinsic role that the IMF and World Bank have played in the last thirty years of Africa's development, a critical understanding of the origins of the contemporary Poverty Reduction Strategy is required.

#### Addressing the 'Crisis': Structural Adjustment and a 'Neoliberal Consensus'

The hegemonic position of the IMF and World Bank in administering the expansion of the global capitalist system in Africa is, in large part, due to their ability to monopolise development 'knowledge' and dispense 'hard currency' to impoverished governments on conditional circumstances (Hall, 1996: 27; Pieper & Taylor, 1998: 39). Following the debt crisis of the 1980s, the disbursement of concessional finance became increasingly conditional on the implementation of prescribed Structural Adjustment Policies (SAPs) (Easterley, 2005: 8). The policies prioritised currency devaluation, privatisation, deregulation, and trade liberalisation (herein referred to as 'reform') and were codified in John Williamson's (1990) Washington Consensus

(Appendix Three: The World Bank's Policy Review, Ishikawa, 2002: 5).

With conditional debt-relief from the IMF and World Bank, African governments adopted the new reform agenda readily: dismantling state marketing boards, reducing inflation, removing trade protections, and divesting and privatising more than half of the state-owned enterprises and industries in the region (Oyejide, 1997: 12; Nellis, 2003: 113). The extent to which economies were integrated within global accumulation circuits was often seen as synonymous with 'development' which was entrenched in a causal logic of participation in the global market, facilitating growth and thereby increasing the prosperity of the participants (Rist, 2002: 211). Such was the political impetus behind these reforms that Williamson (2000: 251) himself protested, particularly over the extent and rapidity with which financial liberalisation was pursued in the developing world. Nevertheless, the implementation of market reform as a conditionality of debt-relief and concessional finance was perceived by critics of the International Financial Institutions (IFIs) as an overtly ideological promotion of 'market fundamentalism' and a universal 'neoliberal' solution to the challenges faced by developing countries (Rodrik, 2006: 982).

The predominance of a 'neoliberal consensus' in development policy cannot be understood solely in terms of the prevalence of fundamentalist neoliberal ideas such as privatisation, deregulation and marketisation in development discourse. It is also (and arguably primarily) a result of the changing social relations between capital and labour in a trans-nationalised structure of production and accumulation (Cahill, 2013: 81; Harvey, 2005: 110). The increasingly 'globalised' composition of the capitalist system was presented by the IFIs as a remote and inexorable phenomenon which required heavily-indebted African countries to implement 'pragmatic' structural and sectoral adjustments to 'participate' and benefit from global markets (World Bank, 2001: 25; OECD, 2014: 18).

The fragmentation of production structures precipitated by technological innovation since the 1970s has, in some accounts, determined the predominance of 'neoliberal' policy responses designed to utilise the mobility of capital and enhanced export networks as a means of enhancing Africa's position in the international market (Kotz & McDonough, 2010: 93; Garrett, 2000: 941). It is evident that the World Bank and

IMF have been instrumental in designing and imposing a framework and context that facilitates and extends access to, and participation in, global accumulation circuits for African political economies (Gilpin, 2001: 331; Gill, 1995: 400). However, the IFIs are not driven solely by the imperative of capital to continually expand to new markets. As institutions, the World Bank and IMF are social structures, within which and through which social forces act upon the world (Rückert, 2007: 96). The predominance of neoliberal policies and strategies of global accumulation that are manifest in the SAP and PRS are actually the product of a historically conditioned moment of global capitalist social relations and are a contingent product of contestation between states, capital and social movements (Taylor, 2005: 154).

The neoliberal structure of globalised accumulation is a non-hegemonic system, and has increasingly been maintained by the use of coercion to condition social relations and resolve social conflicts (Ferguson, 2006: 43; O'Brien, 2000: 218). This non-hegemony manifested itself in sub-Saharan Africa in the resistance of African governments and social movements to the IFI's strict conditionalities on debt-relief that were perceived to exacerbate worsening social and economic indicators (Prempeh, 2006: 93; O'Brien, 2000: 218). By the mid-1990s, structural adjustment had proved an ineffective or incomplete solution to Africa's economic performance and debt crisis, with widespread poverty becoming an entrenched feature of the African economic landscape (Kingston et al, 2011: 114). The international contestation of the IFIs legitimacy in promoting development reform (most notably in 'IMF riots') necessitated a transition to a revised strategy for delivering debt-relief and alleviating poverty in Africa (Sahn, 1994: 21).

#### The Poverty Reduction Strategy: Embedding and Appropriation

The PRS was evolved in 1999 as a revision of the debt-relief conditionality imposed through SAPs. The transition to the PRS was contingent on the political economic conditions of donor countries. The 1990s and early 2000s witnessed an ideological shift towards fiscal conservatism among Western donor governments who had championed direct budgetary support for developing countries earlier in the decade. In this political climate, the risk of 'hands-free' development financing was considered too high, as governments were increasingly held accountable for the use of

domestic taxes for foreign benefit (Moore, 2004: 297). The resulting demand for more control of, and returns for, finance given to African governments necessitated a process which bound both donors and recipients to an agreed supply and use of aid and development strategy (Sumner, 2006: 1401).

Debt-relief was re-designed to ensure that the financial aid channeled to impoverished governments was utilised for increased social spending targetted at alleviating poverty. Under the Enhanced Heavily Indebted Poor Country Initiative (HIPC2), countries were required to complete an *ex ante* conditionality of three years compliance with IFI-approved macroeconomic policy before reaching a 'decision point' as to whether it would be eligible for debt-relief. When this condition was met the country composed a Poverty Reduction Strategy Paper (PRSP) setting out a wideranging summary of macroeconomic and social policies as well as an estimate of debt-relief required to fund a plan for social services over three years.

Entry into the PRS framework and its concomitant financial assistance programme the HIPC2, is regulated by two disciplinary prerequisites. First, heavily indebted countries are required to implement a host of macroeconomic policies designed to promote 'debt sustainability' by improving access to commodity markets, reducing vulnerability to exogenous 'shocks' and adopting a system of conservative macrofiscal administration (Helleiner, 1992: 779; Easterley, 2002: 1677). Second, eligibility into the PRS requires a commitment to channel concessional finance and debt-cancellation to support 'pro-poor' public sector investments in accordance with the provisos and targets of the World Bank (Easterley, 2002: 1678).

The purpose of these *ex-ante* processes of conditionality is two-fold. It fosters a relationship of accountability with national governments that adheres them to the norms and boundaries of global capitalism's macro-economic, governance and social policies (Collier, 2006: 1482; Gould, 2005: 31). It also allows the logic of 'inclusion' to permeate through the level of the nation-state to households where, under the rubric of 'good governance', individuals are 'conditioned' into a particular set of relations including formalised economic exchange, individualised land tenure, and the promotion of self-interest over communal or familial well-being (Porter & Craig, 2004: 398).

The PRSP are designed to be nationally specific but there are three factors which overarch these variations. First, the PRSPs seek a continuation of structural reform in terms of deregulation, privatisation, and trade liberalisation, but demand a more coordinated and decentralised delivery of social services and public goods to facilitate these reforms (Pejovich, 2012: 164). Second, IFI debt-relief is granted to national governments in the form of budgetary assistance, designed to enhance the capacity of the state to 'effectively' manage its finance. Third, there is an emphasis on the national ownership of the PRS and the role that 'participation' with all members of society plays in democratising its delivery (Booth, 2005: 13).

The notion of 'country ownership' became a central facet of the PRS for two interrelated reasons. On the one hand, the difficulty of enforcing reform on sovereign political actors, even heavily-indebted ones, demonstrated that the IFIs lacked the means to effectively enforce their development strategy unilaterally (Craig & Porter, 2006: 23). On the other, there was a perceived need to emphasise the specificity and legitimacy of the PRS in a way which necessitated approval from national governments. Through national ownership, the PRS aimed to 're-territorialise' development policy, emphasising a commitment to displacing universal solutions with more contextualised and nationally-owned approaches involving consultation with a broad range of stakeholders (Hickey, 2012: 684).

Mainstream development literature posited that the failure of SAP reform to improve economic or social indicators in much of Africa was due in large part to the incomplete or unwilling application of the IFI's reforms (Joyce, 2006: 1; Konadu-Agyemang, 2000: 471). Programmatised structural adjustment had failed to embed itself in the African State as the founding logic of public action (Harrison, 2004: 4). As a result, World Bank discourse fixated on the importance of civil society in furthering poverty reduction (Williams, 2010: 406). Civil society was seen as a potentially transformative element of both weak African states and stagnant economies. A civil society that was included into the poverty reduction agenda would be more likely to demand increases in state responsiveness and the implementation of World Bank policies (Williams & Young, 1994: 85). It was in this context that the debt-relief relations and development policy of the IFIs were reframed as a

'partnership' premised on 'participation'. Furthermore, Non-Government Organisations (NGOs) were to be included in the consultations that informed national PRSPs so that the voices of the poor could be better represented. Additionally, African governments were to work towards the objectives of the PRS not because of conditional finance but because of a "subtler dynamic of alleged mutual complicity" (Gould, 2005: 63).

The transformation of social relations in sub-Saharan Africa required to facilitate the PRS necessarily required a more comprehensive policy agenda that encompassed all aspects of 'governance'. Creating a consensus within civil society regarding the benefits of reform required a particular rubric of governance, comprising a set of integrated ideas and specific programmes that drew all communities into an 'inclusive' and 'participatory' process of development (Grindle, 2011: 212; Addison et al, 2011: 463). With persistent or increasing poverty rates in Africa, the World Bank was compelled to concede that "state-dominated development has failed. But so has state-less development ... [h]istory has repeatedly shown that good government is not a luxury but a vital necessity" (World Bank, 1997: iii). The stated aim of 'good government' in the PRS was to develop and transform a "stronger government focus [on poverty] into an institutionalised commitment to poverty reduction" and "expand civil society consultations into deeper forms of government accountability to citizens" (Driscoll with Evans, 2005: 10). This entailed greater transparency and accountability for African governments as well as an emphasis on reducing corruption and enhancing decentralisation.

In terms of operationalising the PRS, a convergence of policy and research from the World Bank identified pro-poor growth as the central component of achieving sustainable poverty reduction. Artificial barriers to entry or discrimination of gender or ethnicity in particular sectors, professions or the formal labour market in general, were identified as being most detrimental to the poor (Hickey & Mohan, 2008: 235). A pro-poor growth strategy entailed the removal of institutional and policy induced biases against the poor. In addition, policies were targeted at inclusion of the poor in formalised market exchange (Ravallion, 2004: 2). The constraints to pro-poor growth in sub-Saharan Africa were identified as a concentration of infrastructure in urban rather than rural areas, and the presence of monopolised industries that maintained

artificially high prices of services and commodities that were widely needed. Pro-poor policies were also to target the provision of a stable regime of social reproduction including basic services, healthcare and education (Kakwani & Pernia, 2000: 4).

The PRS has been credited with some positive achievements in sub-Saharan Africa. For example, Ghana has received US\$3.7 billion in debt relief out of its US\$ 6 billion total debt, reducing the nations debt-repayments by \$250 million annually. In Tanzania the budget for primary education was increased by 52% between 2000 and 2003 which increased net enrolments from 57% to 85% (Cheru, 2001: 10). The debt-relief has facilitated an almost ubiquitous increase in spending on social policy areas in sub-Saharan Africa (Driscoll & Evans, 2005: 11). However, the translation of these improvements into reductions of poverty (in terms of income) has been underwhelming. There is an apparent disconnect between macroeconomic reform, increased social spending and poverty reduction that lies beyond the approach of the PRS (Gore, 2000: 795; Sumner, 2006: 1402). The emphasis on more accountable forms of social spending and governance, through a combination of macroeconomic reform and participatory inclusion in the formulation of PRSPs, has demonstrated in the past fifteen years that it is an incomplete solution to the impediments to growth in sub-Saharan Africa (Booth, 2005: 3).

The transition from structural adjustment to PRS represents a dialectical tension between the interests of private capital within the international capitalist system and an appreciation that these interests are often opposed to the reduction of poverty. The economic liberalisation enforced through SAPs attempted to transform localised and traditional social formations in Africa to facilitate commodification and the 'unfettered' use of the market in distributing capital and labour efficiently (Porter & Craig, 2004: 390). The increased depravation and detrimental consequences of commodified social regulation engendered a concerted effort in the mid-1990s to mitigate the social disruptions of market-led liberalisation by prioritising the delivery of social services to reduce poverty and alleviating the detrimental impact that participation in internationally competitive markets can have on the poor. The PRS has been shaped by this dialectic, with competing material interests and social imperatives informing how the strategy is manifest in sub-Saharan Africa. The progressive theories that informed the formation of the poverty reduction agenda

include the welfare economics of Amartya Sen (1995), the pro-poor emphasis of Martin Ravallion (2004), and the revised consideration of state capacity and globalisation extolled by Joseph Stiglitz (2002; 2003: 3). However, the attempts to mitigate the social disruptions of market reform by these "enlightened reactionaries" have been contested and appropriated in the PRS approach (Polanyi, 2001: 165). Rather than providing a basis for mitigating the social disruptions and exigencies of globalised accumulation circuits, the 'comprehensive' social policy that 'progressive theorists advocate has been transformed into a broader liberal vernacular of poverty reduction that encompasses a set of de-politicised rationalities and participatory notions such as inclusion, empowerment, and security (Porter & Craig, 2004: 392).

#### Conclusion: Continuity and Legitimacy

The PRS marks a significant development in the way that debt relief and development strategies are managed between the World Bank and African governments. Informed by the failures of the SAPs in Africa, the PRS emphasises a partnership designed to foster state capacity and ensure that debt-relief is channeled into social policy designed to alleviate poverty. The PRS is also premised on the inclusion of Non-Government Organisations to represent the needs of the poor in drafting national budgets and policies. However, the 'reform triumvirate' of privatisation, liberalisation and deregulation remains a pervasive factor of World Bank policy and this continuity engenders a reproduction of past failings. Despite the introduction of national ownership and inclusive participation, poverty reduction is still embedded in a strategy to restructure social relations in Africa to facilitate international capital flows and provide a stable and dynamic macro-economy.

The popular discourse of poverty reduction conceals the actual extent of inclusion, empowerment and security experienced by heavily-indebted African countries and their poorest citizens. The broader consensus between government officials, IFI functionaries and academics that now endorse PRSPs as a comprehensive approach to poverty reduction are co-opted into an increasingly restricted debate about what constitutes 'effective' poverty reduction policy.

### Chapter Two

### The Ideological Mechanisms of the Poverty Reduction Strategy: Inclusion, Empowerment and Security

The previous chapter described the emergence of the World Bank's Poverty Reduction Strategy (PRS) as a reaction to the failures of the Structural Adjustment Programmes (SAPs). It elucidated the revised nature of conditionality and development strategy and identified that the PRS had been largely ineffective in reducing poverty in sub-Saharan Africa from 2000. This chapter deepens the investigation into the PRS by foregrounding its three rhetorical 'pillars': inclusion, empowerment and security (World Bank, 2000/1: 12). It identifies the logic that underpins these amorphous terms and their interrelation in re-structuring political economies in Africa. Re-interpreting the PRS in this way demonstrates that it is premised on establishing consensus and mollifying resistance to an underlying strategy of development. This strategy necessitates expanding global circuits of capitalist accumulation throughout sub-Saharan Africa by embedding the social and material relations of capitalism. Including, empowering and securing the livelihoods of the poor in a broader framework which exposes the same population to the exigencies of an internationally competitive labour market is inherently contradictory. This logic has precipitated a strategy that seeks to legitimise neoliberal capitalism as a means of poverty reduction, disaggregate representative institutions and provide security through an intrusive and disciplinary regime of social reproduction for the poorest citizens.

The accord between 'market and community interests' that the PRS embodies must be problematised as it is a notion with wide appeal among bureaucrats, Non-Government Organisation (NGO) activists and social movements in the developing and developed world. There is a necessity to strip "adjustment policies of their poverty reduction clothing" (Hellinger et al, 2001: 1). The convergence in African Poverty Reduction Strategy Papers (PRSPs) around the concepts of inclusion, empowerment and security does not demonstrate a shift in the global political economy towards enfranchising

those at the periphery of the global capitalist system or the emergence of pro-poor social governance (Wallerstein, 1974; 389; Gaventa, 2004: 39). Rather it demonstrates that these principles are part of an all-encompassing parlance which claims to represent a development strategy which prioritises the needs of the poor. In actuality it describes a limited agenda, disseminated from a 'market fundamentalist' convergence of reform, supplemented by policies designed to foster legitimacy through 'partnership' and deliver social services to mitigate the exigencies of an internationally competitive labour market (Rückert, 2006: 38).

#### Inclusion: Consent and Coercion in International Capitalism

The primary inclusion of the PRS is the participation of national governments and NGOs in the formulation of a national PRSP designed to democratise and legitimise the reforms and policies expected of African countries in return for debt-relief. In the majority of cases the 'participatory' process is reduced to a consultation meeting between World Bank and IMF staff, with a select group of government officials and NGO representatives. Input from national representatives and NGOs is subject to ultimate approval by the International Financial Institutions (IFIs). Although this process enhances the ability of national governments to shape the PRS, it falls short of genuine democratic involvement and is never extensively debated in African parliaments, with the vast majority of political parties agreeing on the necessity of the PRS as a means of securing debt relief.

The inclusion of NGOs to represent the needs of the poor and civil society is a further shortfall of genuine representation, with the majority of NGOs being "urban-based, middle class led, single oriented and donor supported" (Nyong'o: 2002: 48). The selection of NGOs is managed by the central government and the result is the exclusion of more radical organisations, such as student or labour unions and professional associations (Seshamani, 2002: 8). The constrained process of participation in the provision of the PRS nevertheless imbues the strategy with a sense of national consensus. The consensus is predicated on the notion that the imperatives capital accumulation can be aligned with the social imperative of alleviating poverty, and that this logic should inform economic and social governance in Africa to provide better opportunities for the poor and a more responsive, efficient state (Porter &

Craig, 2004: 389; Stewart & Wang, 2004: 290). 'Inclusion' and 'participation' in the consultation process are an advanced form of governmentality designed to instil the norms of the global political economy in the development strategy for sub-Saharan Africa. Higgins & Lockie (2002: 421) identify the role of partnership and participation as a "technology of agency" rather than control, in which the acceptable parameters and processes of poverty reduction as conceived by the World Bank are internalised by the 'included' national governments and then translated to households through national policies (Salter, 2006: 167; Mahon & Macdonald, 2009: 184).

The 'inclusive' framework of poverty reduction is significantly problematic in that it establishes a popular consensus around the efficacy of 'market fundamentalism' in reducing poverty. The parlance of 'poverty reduction' is widely popular and adaptable and thus is often adopted as the central focus of governance and social policy. However, the inclusion of national governments and non-state actors in the process of formulating development policy has not broadened the scope of civil or political debate regarding poverty reduction, but rather co-opted a far larger proportion of bureaucrats, NGOs and social movements into supporting the World Bank's demarcated reform agenda. The focus on democratic forms of governance has been further undermined as the PRS has empowered a technocratic "iron-triangle" of donors, technocrats and professionalised NGOs in Africa, bypassing the more political vociferous actors such as unions, the free media, social movements and the backbenches of parliament (Gould, 2005: 5-7; Hickey & Mohan, 2008: 234). Thus, including national governments and NGOs in the formulation of PRSPs does not enhance state capacity or foster democratic discourse regarding a nationally-owned strategy. Instead it is a process by which a limited selection of key actors are aligned with the World Bank's prescriptions of effective poverty reduction policy.

The World Bank has placed itself in a unique position as the sole repository for global development knowledge (World Bank, 1999: 140). The monopoly of the World Bank on data collection, policy design and implementation facilitates a cycle of development strategies that is relatively impervious to contrary evidence or conflicting approaches. The Bank identifies its role as "accumulating the *right* kind of knowledge, and helping [its] clients build the *capacity* to use it" (Wolfensohn, 1996: 29, emphasis added). In statements like this, it is axiomatic that the World Bank has

the monopoly on the 'right' kind of development knowledge and the correct means or 'capacity' to deliver appropriate reform (Cammack, 2007: 196). The emphasis on 'capacity' highlights the tensions and contradictions inherent in the policies which the Bank seeks to implement, which must be incorporated into a nationally-owned and inclusive strategy or be construed as intrusive, detrimental or unpopular. The 'inclusive' framework serves to legitimise the need to enforce reform both through (financial) coercion and (political) consent. The PRS is a universal blueprint for a complete reconfiguration of social and governmental relations and institutions in Africa, premised on macro and micro technologies designed to discipline nation-states and individuals (Rückert, 2006: 34). The extent of the 'inclusive' framework subsumes the principles of sovereignty and democratic representation in Africa within a broader conjuncture of global accumulation and a false sense of 'ownership' through mechanisms of participation and consultation.

A further quality of the 'inclusive' policies in the PRS, is the use of education to align civil and political discourse in sub-Saharan countries with the norms and principles of the World Bank. This is particularly apparent in the view of education in World Bank discourse as the enhancement of 'social capital' to advance an individuals involvement in an internationally competitive labour market. The role of education in expanding the proportion of African's with the skills to engage in the formal labour market is evident in the *Poverty Reduction Strategy Sourcebook* (PRSS) which serves as the basis for acceptable development policy. It asserts that

"broad-based education is associated with faster diffusion of information within the economy, which is crucial for enabling workers and citizens in both the traditional and modern sectors to increase productivity. These impacts are strongest where education is integrated into a broader competitiveness strategy that includes macroeconomic stability, trade openness, incentives for foreign investment, competitive telecommunications pricing and adequate infrastructure investments (World Bank, 2002: 112).

The reduction of the role of primary and secondary education to serve the labour market represents an increasingly pervasive commodification of 'knowledge' in development practice. The World Bank framework appropriates Amartya Sen's (1990) Development as Capability Expansion and re-casts capabilities as commoditised 'social capital' enhancing ones ability to pursue individual financial gain. In this way, the progressive notion that education can provide greater freedom and capabilities for the poor is appropriated within the PRS as the enhancement of 'social capital' to enhance their ability to participate in a competitive labour market of a broader macroeconomic framework. The discrepancy between the 'ability' to pursue greater personal affluence within the labour market and the personal 'freedom' of capabilities is one which is not addressed nor fully recognised in the Bank's discourse (World Bank, 2013: 214). The social policy of the PRS framework is included into the broader institutional goal of attracting private investment and ensuring the reproduction and skills of the African poor through education, healthcare and family planning assistance (Kothari & Minogue, 2002: 166-167).

#### Empowerment: National Strategies and Indebted Subservience

The parlance of inclusion is complemented in the PRS by the notion of empowerment. Empowerment acts specifically to reframe the way in which the PRS is owned and implemented by national governments. The notion of 'ownership' in the PRS is instrumental in tying African states to the market-oriented reform and social spending of the World Bank.

Despite the cooperation of national officials with IFI staff in the formulation of a PRSP, the scope and extent of acceptable reform is strictly limited by the *Poverty Reduction Strategy Sourcebooks*, which are the blueprint for the extent of development policy which will be approved in exchange for debt-relief (Klugman, 2002a; Klugman, 2002b). Commenting on the Zambian PRSP, Seshamani (2002: 9) notes that stabilisation remains the primary objective of the strategy and that there has been no alteration of the macro-economic reforms supported during the Structural Adjustment Programme (SAP) era. As such, the extent to which states are empowered by national strategies is severely restricted by the mandate that underpins PRSP debt-relief conditionality. According to Cammack (2003: 48), the failures of the World Bank's development policy in sub-Saharan Africa have their roots in the uniformity of the PRS, which applies the same set of market facilitating policies regardless of the empirical specificity of the country in which it is enacted. The tension inherent in this

process generates the fundamental contradiction that is most widely remarked upon – the simultaneous need for the policies which are adopted in Africa to fit within the strategic framework set out by the Bank, and to be 'freely' chosen and 'owned' by African governments (Buiter, 2007: 647). It is this categorical imperative that makes the notion of 'country ownership' a "sham" and provides the basis for continuation of universalist development prescriptions from the World Bank (Pender 2001: 409).

The PRS is premised on the institutionalisation of micro-level incentives that shape social relations in ways that are conducive to furthering capitalist accumulation (Rückert, 2006: 50). National governments in Africa must therefore be empowered to act as a conduit for translating World Bank policies into effective outcomes in society. The process of empowerment is tied to the notion of state capacity and a need for a decentralised structure of governance. The disaggregation of collective forms of representation is described as "making the state more responsive to people's needs, bringing government closer to the people through broader participation and decentralisation" (World Bank, 1997: 3). Decentralisation provides a mechanism by which individuals and their communities are incorporated into an atomised relationship with the state and the international labour market. Within the PRS decentralisation is designed to expand state capacities and subordinate local authorities into a disaggregated regime of service delivery, rather than providing enhanced local representation (Sheppard & Leitner, 2010: 187). This process is framed as a partnership between central and local government, but is designed to integrate provinces or regions (which are often ethnically or tribally diverse) into a constitution of spatial and social relations which empowers the central government's ability to monitor and enforce the strategy of the PRSP. The decentralisation of governance also serves to 'localise' and disaggregate the 'accountability' for poverty toward regional or community actors, rather than central governments or the PRS itself (Ndedi, 2003: 2). With the central government implementing a liberal sociolegal framework, poverty is conceived of as a failure of local governments or private enterprises to distribute resources effectively. In World Bank discourse, poverty is considered to be a lack of social capital, and so the inability of individuals to participate in the market is seen as a local failure of primary education and healthcare, rather than a broader national or strategic failure to generate employment or address regional disparities (World Bank, 1990: 4).

In the impoverished, conflictual and disconnected institutional environment of many sub-Saharan countries, decentralising the management and administration of the impoverished communities is confronted by the unstable, inhibited and underresourced nature of local government. A web of local councils and NGOs delivering fragmented basic services to isolated enclaves of clients is the true extent of the 'empowered' decentralisation of government that is envisaged in the rhetoric of many PRSPs (Bakker & Gill, 2006: 36). The penetration of these ideas into African social movements is demonstrated by a publication from a Tanzanian Civil Society Organisation (CSO) 'Hakikazi Catalyst' designed to explain the principles of the PRS in simpler terms. Within it, a cartoon succinctly demonstrates the subordination of 'local participation' to national strategy, illustrating the limitations and biases of decentralised governance as perceived by Tanzanian commentators (Appendix Four: Tanzanian CSO Illustration of Decentralisation, cited in Cammack, 2007: 208).

A further example of the limited extent of decentralisation is provided by the Ugandan PRSP which outlines an increased capacity for local actors, designed to allow local councils to allocate funds for social policies, while also articulating the national strategy (Government of Uganda & IMF, 2010: 4). In practice decentralisation policies such as the Local Government Act in Uganda served to reinforce the dominance of ministry-led sectoral approaches rather than precipitate greater inclusion and efficiency in democratic processes and distribution (Lister & Nyamugasira, 2003: 103). Local authorities were unable to raise revenue independently and thus relied on compliance with the mandates of the central government to receive financing (Ellis & Bahigwa, 2003: 1010). Thus the empowering process of democratic inclusion and decentralisation instead represents an attempt to restructure the relations between regions, facilitating greater monitoring and compliance with the strategy agreed to by the IFIs and national governments (Ellis & Freeman, 2004: 18). The PRS locates the imperatives of empowerment and security for the poor in a framework of governance, which disaggregates collective or communal representation, replacing it with an atomised relationship between individuals within a market, in which each is empowered to act as any other citizen. This has salient consequences for marginalised communities, whose 'security' is provided through a commodified social reproduction regime in which conditionality

is transferred from the nation-state to the household, disciplining the poor rather than empowering them.

#### Security: Stability and Social Reproduction

Social inclusivity and national empowerment are managed as part of a wider poverty reduction imperative of security. Whereas in SAPs security was largely synonymous with macroeconomic stability, the PRS aims to provide security for those citizens unable to pay for privatised basic services through the direct provision of conditional subsidies. Inadequate social protection for impoverished citizens is identified in the PRS as a primary cause of intergenerational poverty.

The PRS paradigm re-frames the previous market-oriented social reproduction regime within a broader decentralised and 'inclusive' socio-legal structure which provides underlying financial support for the social reproduction of the most marginalised and vulnerable demographic (Schubert & Slater, 2006: 571). This regime of social reproduction entails an unprecedented monitoring and intrusion into the livelihoods of the poor. This programme of surveillance is facilitated by the technical innovation of Participatory Poverty Assessments (PPAs), which are a collaboration between the World Bank, national and local officials to better monitor and administer impoverished citizens in Africa (World Bank, 1992a: 4).

Social reproduction is commonly confined to the processes involved in reproducing humans and their labour power on both a daily and inter-generational basis, through the acquisition and distribution of the means of existence including food, clothing, shelter, education and medical care (Katz, 2001: 710). However, Ruth Pearson (1998: 241) asserts that social reproduction also refers to the process by which the whole of social relations necessary for the reproduction of a stable capitalist society is perpetuated. This expands the traditional definition beyond that of material provisioning to encompass elements such as the creation and dissemination of norms, values, and knowledge (Elson, 1998: 189-190). In addition to securing the means of existence, the reproduction of the labour force also necessitates a range of cultural forms and practices associated with knowledge, social justice and its apparatus and the media. As such, the World Bank aims to supports those who are marginalised by

the commodification of the means of subsistence through material and participatory concessions designed to foster a sense of inclusion, empowerment and security in the PRS.

The majority of theoretical accounts regarding social reproduction accentuate the function of the state in providing material and ideational support. However, heavily-indebted countries are impeded by a disjuncture between the material needs of their citizens and the regime of social reproduction that they are able to provide (Weiss, 2004: 10). The privatisation and trade liberalisation policies that detrimentally impact the livelihoods of the poor are counterbalanced in the PRS by debt-relief which allows African governments to subsidise the process of social reproduction, directing spending towards infrastructure, basic healthcare and primary education designed to allow impoverished African citizens to enter the labour market. The PRS provides a structure of "material incentives to subaltern social forces to coopt [them] into a hegemonic world view" that is aligned with the principles of the PRS (Rückert, 2007: 96).

The ascendance of a new regime of social reproduction in Africa is based on the failures of both state-led social assistance programmes which were often poorly targeted, carrying high administrative costs, and the detrimental effect that privatised basic services have had on the poor (Rawlings & Rubio, 2005: 33). The role of social protection in the PRS is to provide the poor with the "social capital" to facilitate their participation in "internationally competitive" labour markets (Republic of Kenya & IMF, 2010: 31, 13; Kakwani et al, 2005: 12). This form of social protection engenders the transformation of social relations and the disciplining of poor communities into actions that promote their inclusion and participation in the labour market. Conditional Cash Transfers (CCTs) are in their infancy in Africa, but represent a means of conditioning impoverished and marginalised communities through direct subsidies, orchestrated by the national government. Ethiopia currently has the largest CCT scheme which administers 7 million people through the Productive Safety Net Programme (PSNP) (Barrientos et al, 2009: 17).

CCTs provide impoverished African citizens with access to social services in accordance with a number of stringent conditions (Das et al, 2005: 58). If individual

recipients do not comply with their "co-responsibilities" in a CCT contract, a household can lose this income and become reliant on family networks for survival. For example, in Nahouri, a rural province of Burkina Faso, mothers receive payments for their children's food, education and health care with co-responsibilities including their children's school attendance, regular visits to health clinics, attending educational sessions on health, nutrition, hygiene, domestic violence and family planning, and contributing to the upkeep of the community by participating in local projects (de Walque et al, 2010: 1; Lagarde et al, 2009: 14). Given the 'intergenerational focus of these schemes, the World Bank specifically identifies that mother's control of financing has a stronger positive impact on a child's health and schooling. This maternal focus of social reproduction has the potential to reinforce traditional gender roles within impoverished African communities, with no clear strategy for women's empowerment (Molyneaux, 2006: 435).

CCT's are part of a broader reconstitution of African social reproduction under the PRS that does not envisage social protection from the market, but rather interprets the main objective of social policy to increase the human capital of the poor to facilitate their integration into market structures (Jenson & Saint-Martin, 2003: 83). In this context, factors such as social exclusion and extreme deprivation are assumed to be linked to the inability of the poor to effectively participate in the labour market (Bebbington, 1999: 2021). In the reconstitution of social reproduction in Africa, security in the form of welfare is considered not as a right – as in the case of social citizenship – but rather as a necessary pre-requisite for facilitating the successful economic participation of the poor in the labour market, provided in accordance with "responsible" individual behaviour. The disciplinary and conditional regulation of the poor as a means of ensuring their 'securit'y has led some scholars to re-title the inclusive poverty reduction paradigm as "intrusive neoliberalism" (Mahon & Macdonald, 2009: 195).

Conditionality has traditionally been imposed upon subsidies to national governments. Under the PRS regime of social reproduction CCTs are used to 'download' conditionality through the state to determine the behaviour of poor communities and households. The poor are regulated and embedded in the relations and disciplines considered conducive to enhancing their 'human capital', in return for

material incentives designed to enhance their ability to escape poverty and participate in the marketised regime of social reproduction. The combination of privatised basic services and subsidies to the poor represents a new social reproduction regime that Anne Rückert identifies as "conditional inclusion" (Rückert, 2010: 834).

#### Conclusion: Rhetoric and Reinforcing Past Failures

The rhetorical pillars of the PRS are a vehicle through which the World Bank and IMF seeks to mediate, legitimise and conceal the true objectives of the PRSP. The poverty reduction vernacular of inclusion, empowerment and security has been appropriated to widen consensus regarding the efficacy of neoliberal governance and 'market fundamentalism' in providing poverty reduction. Resistance to uniform, top-down prescriptions of development strategy have been reframed as participatory and inclusive processes, which are tailored specifically to the recipient country and are nationally owned and determined. However, these notions of partnership and agency are constrained by the superficial nature of consultation and the conditional limits that are placed on acceptable reform by the *Poverty Reduction Strategy Sourcebooks*. Further the PRS attempts to provide security for those who are marginalised by the commoditisation of basic services with an intrusive means of disciplining the poor through subsidies aimed at facilitating their entry into the labour market.

The PRS therefore reinforces, rather than disrupts, the failures of structural adjustment to address poverty in Africa. Ultimately, the strategy is not one designed specifically to address the unstable and impoverished livelihoods of many Africans. Instead the PRS legitimises and facilitates the expansion of capital accumulation into all areas of African political economies, by disciplining and transforming the governance and social reproduction structures to implement a far deeper conditionality and discipline aligned with the World Bank's prescriptions. As the next chapter suggests, the institutionalisation of the PRS exposes the poor to the exigencies of international competition and the precarious position of being dispossessed in a peripheral labour market. Similarly, the reconstitution of the state exposes the poor more readily to the vicissitudes of financial capital, as a means of integrating Africa more completely into the globalised social structure of accumulation (Heintz, 2010: 266).

### Chapter Three

### The Institutional Mechanisms of the Poverty Reduction Strategy: Labour & the State

The previous chapter argued that the rhetoric of the Poverty Reduction Strategy (PRS) obfuscates the extent to which its policies are designed to transform social relations in Africa and embed disciplines in both governments and citizens that facilitate the integration of African political economies with global circuits of accumulation. As such, the PRS should be referenced as a project for the regulation and institutionalisation of capitalist production and accumulation in sub-Saharan Africa, which has arisen from the recognition that a global capitalist system generates contradictions that cannot be addressed at the national level, even by the strongest states. This chapter elucidates the central contradiction of institutionalising the PRS: that poverty reduction is considered a by-product of growth throughout sub-Saharan Africa. It argues that there are two principal pre-requisites for capital accumulation. First, land must be commodified through the imposition of individualised land tenure. Second, the commodification and proletarianisation of labour must be extended to a larger proportion of the population, whose reliance on formalised wage-labour necessarily expands the labour market. These pre-requisites form the basis of the strategy to operationalise poverty reduction through greater capital accumulation.

However, there are two additional conditions that the PRS pursues to sustain capitalism in sub-Saharan Africa. First, foreign financial and productive capital is required to facilitate the expanded production and accumulation necessary to employ the dispossessed workforce. Second, the role of the state is reconfigured to provide an institutional and socio-legal environment that is conducive to foreign investment. However, this configuration of the state is also unable to utilise the increased circulation of capital to promote the development of the national political economy, presenting a significant contradiction between the PRS' emphasis on attracting foreign capital and the achievement of poverty reduction.

#### Operationalising the PRS: Commodifying Land and Labour

The commodification of land and labour is the fulcrum of the World Bank's operationalisation of poverty reduction. The combination of these processes facilitates the expansion of the labour supply in Africa which must be made internationally competitive and capable of enticing foreign investment and enterprise with its flexibility and low wages (Klugman, 2002a: 283; Asiedu, 2002: 107). The prevalence of informal, non-commodified sectors, that are impervious to capital accumulation are centred as the key impediment to more extensive production and accumulation as a means of poverty reduction. The role of labour in the Poverty Reduction Strategy was first outlined in the 1990 World Development Report entitled Poverty. It opens with the seminal statement that Africa's endemic poverty levels can be primarily overcome by "promot[ing] the productive use of the poor's most abundant asset – labour" (World Bank, 1990: 3). The role of the labour market in the PRS is to facilitate the efficient movement of the existing African proletariat to the needs of capital and include the dispossessed reserve army of labour or 'latent proletariat' into productive activities (Cammack, 2003: 7). African men and women that subsist in 'culturally perceived poverty' between rural-small holdings and informal labour must be dispossessed of the means of subsistence to facilitate their entry into the 'latent proletariat' (Shiva, 1988: 10).

The reforms of the PRS facilitate capital accumulation by commodifying land extending dispossession through individualised land tenure - and commodifying labour by separating the poor from the means of subsistence and providing those who occupy the informal sector with skills, education and health ('human capital'). The process of poverty reduction requires the extension of formal wage labour to incorporate the demographic currently existing on the spectrum of communal, informal and migratory economic activity, integrating them into an internationally competitive labour market. The commodification of African land and labour is presented as an emancipation for the impoverished who can "participate fully in the opportunities ... unleashed by growth promoting reform" (Ravallion, 2004: 20). However, the dynamic self-expansion of capital, which underpins growth, is an uneven process which requires that a critical mass of the population should have no other means of survival than to offer themselves for work at a market-wage (Marx,

1976: 501). The 'opportunities' of growth-promoting reform arise out of the dispossession of the African population from the land as a means of subsistence. Recent efforts to secure land tenure across sub-Saharan Africa, in line with the 11th Millennium Development Goal for improving the lives of "slum dwellers" and the "rural poor", have become a subverted means of dispossession and have created a precarious living situation for many poor urban and rural citizens (World Bank, 2013: 137; Obeng-Odoom, 2012: 162). The process extends private property rights to communal land tenure and temporary urban dwellings, alienating a proportion of the population from their means of subsistence and reducing their access to credit (Elahi & Stilwell, 2013: 28). Formal land rights, determined by central and regional government have marginalised the poorest families and households who have insufficient social networks, capital or access to credit to compete for land tenure against larger capital interests in the agricultural sector or rapidly expanding cities (Cotula, 2009: 16; Vermeulen & Cotula, 2010). Without direct access to arable land, poor rural or migratory citizens must sell their labour in order to survive.

However, the abundance of labour that dispossession creates is not utilised in the majority of sub-Saharan political economies. The prevalence of an informal sector serves as a physical manifestation of the disconnection between policies of dispossession and the emergence of an urbanised or semi-rural manufacturing industry that can capitalise on the labour of proletarianised Africans. There are two key contextual factors that have precipitated the under-development of industry in sub-Saharan Africa: failed Import Substitution Industrialisation (ISI) policies and the export-oriented strategy of the Structural Adjustment Programmes (SAPs) in the 1980s. The ISI developmental policies that were in vogue in the immediate postindependence period<sup>3</sup> were dependent on imports for raw materials, machinery and intermediate inputs which greatly diminished the profitability of African firms (Kilby & Kilby, 1969; Anyang' Nyong'o, 1988). This dependency created a lop-sided industrialisation (Seidman, 1974: 601) with a focus on consumer and intermediate goods aimed at the elite or limited urban market rather than processing basic commodities or producing capital goods. Within these policies there was also an emphasis on capitally-intense production over labour intensive techniques which

\_

<sup>&</sup>lt;sup>3</sup> Late 1950s – 1960s

generated little value-adding employment (Seidman, 1974: 604-611). This form of "dependency industrialisation" prohibited sustained growth and prevented the creation of an economic system "that display[ed] a reasonable symmetry between the structure of production and the structure of consumption" (Rweyemamu 1980: 2). The narrow base of production in sub-Saharan Africa was also exacerbated by the International Financial Institutions (IFIs) promotion of export orientation and trade liberalisation designed to allow domestic manufacturers to focus on production with higher marginal returns. The necessity of importing capital goods, volatility of the political environment and relatively low-skilled labour force presented barriers to the development of a strong manufacturing sector, with trade liberalisation facilitating the importation of consumer goods at lower prices then domestic goods.

The PRS's continued emphasis of export oriented growth strategies means that the dispossessed population are confronted by the restricted extent of the industrial sector (Collier & Venables, 2007: 1326). As a result there is a proliferation of cheap labour for industries that produce basic commodities with minimal value chains such as plantation agriculture and natural resource extraction (e.g. oil fields in Ghana, cotton plantations in Benin and Burkina Faso). Because of the limited forward and backward linkages between these industries and the rest of the economy, the African worker is not released into labour markets but instead relies upon informal trading, craft, quarrying and scrapping for precious metals (Wilkinson & Webster, 1982: 2; Obeng-Odoom, 2012: 161-163). World Bank literature represents this "diversification of incomes" as up-skilling of the rural and urban poor who occupy the informal sector (World Bank 2014: 120; Bryceson, 1999: 173). However, these activities represent the super-exploitation of labour as capital is not required to pay the full cost of reproduction of labour power to the employed because informal exchange across multiple occupations is able to meet the increasingly restricted consumption needs of the workforce and the wider population (Jenkins, 1984: 30). In this context the informal sector is a form of subsidy to capital and provides a meagre and precarious income to a significant percentage of the sub-Saharan population. The informal economy provides an expansive reserve army of labour which keeps wages at the level of subsistence. The phenomenon of labour subsidising capital, as opposed to the capitalist logic of labour-power exchanging at the value underlying expanded reproduction, is at the centre of the systemic devaluation of labour and resources in

sub-Saharan Africa. This devaluation and exploitation forms the basis of Africa's peripheral position within global capitalism and the transfer of surplus from African political economies to the 'developed' core (Tiffen, 2003: 1343). The proliferation of the informal sector in sub-Saharan Africa demonstrates the inability of exportoriented growth strategies to provide sufficient complementarities in the economy to sustainably employ the labour that formalised land tenure releases into the market.

One of the additional pre-requisites to sustaining capital accumulation in sub-Saharan Africa is attracting investment from foreign financial capital. For this investment to be beneficial, it is required in sectors of the economy that facilitate the realisation of surplus value in domestic or regional markets, creating forward and backward linkages that engage a larger percentage of the population in production and value-adding employment. The reliance of the poverty reduction strategy on the free flow of foreign financial capital to export-oriented industries prioritises the exportation of basic commodities which - due to the extensive reserve army of labour provided by the informal economy driving wages down – results in detrimental terms of trade for African political economies (Galbraith, 2008: 76; Bradshaw & Tshandu, 1990: 230). The desired model of labour-intensive growth and 'participation' within the PRS is incomplete, and overly reliant on foreign capital to provide employment outside of plantation agriculture and natural resource extraction.

A further contradiction of the desired model of labour intensive growth is the role that trade unions are assigned in the IFIs development paradigm (Klugman, 2002a: 250). In the 1995 report, *Workers in an Integrating World*, the World Bank set out an agenda to remove 'protectionist' and infrastructural barriers to the exploitation of labour and to integrate African workers into the internationally competitive labour market as a means of poverty reduction. The report goes on to promote "effective" unions, which play the dual (and contradictory) role of removing the need for extensive state regulation - which is counter to the extraction of surplus value – and doing little to oppose reform programmes by protecting their members jobs or distorting the market (World Bank, 1995: 74). The 'inclusive' rhetoric of the PRS has penetrated and depoliticised trade unions in line with a broader liberal consensus on what constitutes an effective strategy of poverty reduction and what role that assigns the African workforce. The depoliticisation of previously powerful organisations is

exemplified by the Zambian Congress of Trade Unions which was renamed the 'Civil Society for Poverty Reduction' and cautioned its members against collective action which would disrupt the processes and policies of the PRS (Egulu, 2004: 10). Labour, therefore, has an exploited and nuanced role within the PRS. The World Bank advocates worker solidarity as a means of security for the poor, while simultaneously attempting to depoliticise the production relations of the formal sector so as to provide a 'stable' environment for private investment (World Bank, 1995: 75).

#### Institutionalising the PRS: Restructuring Governance

In the PRS sustaining capitalist accumulation requires a structure of governance in sub-Saharan Africa that provides both a stable macroeconomic environment that is conducive to foreign capital investment and also provides for the reproduction of labour power and the relations of production. Within the Poverty Reduction Strategy Papers (PRSPs) the African state is redefined according to two dynamics. The first is the false dichotomy between state and market. The second is the reconfiguration of the boundaries between national sovereignty and the World Bank in heavily-indebted countries. The reliance of Africa governments on debt-relief facilitates the Bank in re-constituting the mandate of the state and the purpose and form of representation. These two interrelated processes constitute the second component to transforming the social relations of sub-Saharan Africa: the restructuring of governance.

The reconstituted role of the state within African political economies under the PRS cannot be reduced to a binary relationship of retrenchment between state and market. The state and market are not independent entities but interconnected institutional systems through which discordant economic and political interests are pursued and manifest. The World Bank's re-configuration of the African state ostensibly seeks to enhance its capacity to intervene in the economy on behalf of private capital, particularly large-scale international capital. The divestment of state-owned enterprises and marketised delivery of basic services such as water, public transport and health care are all components of this reconfiguration. Complicating this dynamic is the fragmentation of political authority and multiplicity of power relations that determine the institutional composition of heavily-indebted political economies in Africa. The ambiguities of sovereignty and governance in Africa's heavily-indebted

states are a product of contestation not only between the IFIs and national governments but also between political elites, Non-Government Organisations, and bilateral donors pursuing varied interests and developmental outcomes. Public authority in the political economies of sub-Saharan Africa is disjointed, transnationalised and diversified. Social spaces and relations are governed through the actions of a variety of actors operating domestically and internationally. The PRS provides an overlapping framework of authority, which encompasses the African nation-state, the IFIs, and local non-state actors (Cox & Schechter, 2002: 86) This overlapping framework is facilitated by the inability of most heavily-indebted states to reconcile the disjuncture between national economies and domestic political authority. The inability of African states to reproduce the conditions and relations of production means that African states are "no longer the point of condensation for all sets of social relations" (Robinson, 2004: 143; Poulantzas, 2000: 185)

The dichotomy between promoting accumulation and legitimisation is manifest both at the level of the state and the transnational level of the World Bank (O'Connor, 1973: 6). The World Bank pursues the expansion of capitalist accumulation throughout sub-Saharan Africa as a means of expanding the spatial limits of the global market (Harvey, 2011: 185). This programme necessitates legitimacy and authority at the level of the nation-state. Although African states are characterised as extraverted, sourcing their political authority and economic strength from exogenous actors, their role is central in the establishment of a socio-legal structure that guarantees property rights and facilitates the sphere of exchange. The dependence of heavily-indebted African countries on the debt relief afforded by the IFIs enables these institutions to exert a degree of direct influence in approving budget ceilings, inflation rates and export quotas through the PRSP. Nevertheless, the concept of 'trans-national governance' in Africa emphasised by Dingwerth (2008: 607) is problematic, and does not sufficiently acknowledge the role of representation and sovereignty that differentiates the PRS from previous modalities of debt-relief and development. The depoliticised parlance of the PRS serves to incorporate and transform, but not replace, the state in Africa. An accurate conception of the global structure of accumulation requires a theoretical acknowledgment that transnational institutions, such as the World Bank, strongly condition – but do not autonomously determine – state and policy formation in Africa's poorest nations.

Rather than 'territorialising' PRSPs to the specific composition and requirements of each African political economy, the World Bank's institutionalisation of the PRS has led to a proliferation of 'governance states'. In these social formations the fragility of democratic politics and "largesse of external agencies produce the 'grease' that allows African elites to embrace the PRS governance model as part of their own desires for enrichment and social ascendance" (Harrison, 2004: 129). A 'performance' of partnership on behalf of both national elites - pursuing debt relief - and the World Bank – which pursues more intrusive conditionality – is a key determining factor in the inefficacy of the PRS strategy. Although the PRS's stated purpose is progressive it operates within a complex milieu of power relations at all levels of the global political economy, in which different actors pursue various material and ideological ends, ultimately to the disadvantage of the impoverished and marginalised.

The PRS problematises African politics as an inefficient and venal conduit for the complex dialectic between coercion and consent that determines how policies are formulated and implemented. The development landscape of African political economies is commonly described as one of corruption, tribalism, weak (if not failed) states and a pronounced disjuncture between the formal democratic character of existing institutions and the lived experience of politics and democracy. The nature of the African state and its relation to civil society are identified as a central concern in the PRS (White, 1994: 375; Harbeson et al, 1994: 14). A prosaic conclusion is that without measures to correct the weakness of African states and the vacuity of representative institutions, development failure is inevitable (Beckman, 1993: 20; Idoniboye-Obu & Uzodkie, 2013: 21).

Central governments in sub-Saharan Africa are considered cumbersome and unresponsive to the needs of all but a socio-political elite (Mozaffar, 2002: 87). The prevalence of patrimonialism in political office, land titles and social relations is a direct contradiction of the socio-legal framework of the state which is promoted in the PRS (Williams, 2010: 409). The client-patron relations that characterise African politics have been strengthened by the influx of concessional finance and foreign aid, creating a network of beneficiaries surrounding central finance ministries who vie for a share of the benefits (Wunsch, 2000: 129). The PRS attempt to overcome the venal

relations of politics in African by the pre-agreed three year budget models which guaranteed the allocation of funds as a conditionality.

Underpinning the World Bank's strategy to transform African politics is the role of a de-politicised and informed civil society that is capable of dismantling political relations of largesse and demanding reform and representation in line with the demarcated agenda approved within the PRS (Konings, 2011: 31). The World Bank's 'culturalist' assumptions of political office in Africa informs its strategy to overcome corruption and clientelism. These two prevailing features mean that the African state is both insufficiently autonomous from society to enact drastic reform and, simultaneously, too venal and unresponsive to the desires of civil society to provide representative democratic institutions (Williams, 2010: 404). This situation is directly opposed to the dichotomous role of the state as envisaged in liberal theory which must reconcile the tension of being both representative and autonomous from civil society (Williams, 2010: 405; Owusu, 2003: 1659).

The role of a depoliticised civil society in the transformation of African politics is paramount to the PRS. According to the World Bank, civil society can serve to lighten the "burden of the state, by *involving* citizens and communities in the delivery of collective goods" (World Bank, 1997: 3, emphasis my own). In this statement 'involving' appears to be a euphemism for an increasing array of 'user-pays' policies regarding the delivery of social services, expanding formal labour markets to enhance tax revenue and disciplining the poorest citizens into stringent and intrusive assistance and administrative measures (Ruiters, 2007: 504). The attendant policies of decentralisation and participation are designed to co-opt and convince civil society and NGOs that greater democracy and market-oriented reform are symbiotic, and thus exert pressure on African states to deliver more accountable and transparent government, provide 'efficient' social services, and share the cost of delivery with those receiving the service (Cammack, 2004: 199). However, the expanded role of civil society is not designed to promote public discourse and debate regarding the efficacy and benefits of the PRS but to challenge the 'traditional' and 'cultural' characteristics of the African state which are perceived as impediments to growth.

Despite the deepening of neoliberal conditionality through 'technologies of agency', the PRS attempts to more overtly discipline African states to the structure promoted by the World Bank through two interrelated processes. First, the increasingly liberalised and privatised macroeconomic framework agreed upon in PRSPs grants foreign financial capital heightened power over the African state and labour (Gill, 1995: 400; Brenner, 1998: 459-61). The ascendancy of foreign financial capital in determining the priorities of the state and structure of African political economies is concomitant with the increasingly free flow of capital through the region and the threat that 'capital flight' poses to unstable or protectionist structures of governance (Bakker & Gill, 2006: 43).

Second, the PRS is able to discipline indebted African administrations by traditional conditional debt-relief and finance. The rhetorical commitment to national ownership in the PRS is reduced to a brief consultation with selected government and non-government figures, with final approval of the strategy and attendant debt relief left to the IFIs. The restricted purview of policy choices and deliberative processes outlined in the *Poverty Reduction Strategy Sourcebooks* discipline African countries within a demarcated agenda of 'market fundamnetalism', atomised representation and export oriented growth (Klugman 2002a; Klugman, 2002b). The role of the state is thus reduced to a "partner, catalyst and facilitator" of private interests and the market as a means of distribution maintaining the institutional and socio-legal framework to enforce these norms (World Bank, 1997:1). The encapsulating term for the role of the state within the PRS is 'good governance' (World Bank, 2012: 19).

The amorphous priority of 'good governance' provides criteria by which the IFIs can judge the alignment of national policy with their own strategies. 'Good governance' is ultimately a mode of conditionality designed to operationalise the restructuring of African politics according to particular criteria. The liberal principles that underpin this normative prescription include reducing corruption, strengthening accountability, fostering public discourse and nurturing a free press (World Bank, 1989: 6). Foremost among the principles of good governance is the "creation, protection, and enforcement of property rights, without which the scope of market transactions is limited". The PRS's promotion of liberal governance is premised on the interrelation between individualised property rights and greater capital accumulation. The

principles of equality under the law and freedom to act as "independent economic operators" are inextricably linked to the practices and ethos of generalised commodity exchange which the PRS aims to facilitate in Africa. This connection was clearly articulated by Marx who wryly commented on the sphere of commodity exchange as "the exclusive realm of freedom ... because both buyer and seller of a commodity are determined by free will" and equality "because each enters into a relation with the other ... as they exchange equivalent for equivalent" (Marx, 1976: 280). Marx's critique of the bourgeois pre-occupation with the sphere of exchange demonstrates the inadequate understanding of the sphere of production in the liberal governance promoted in the PRS. The reconfiguration of the state to enshrine the exchange of commodities – both domestically in terms of land and labour and internationally in the exportation of unprocessed goods - necessarily overlooks the exploitation of labour inherent in the relations of production in sub-Saharan Africa. In fact, imposition of a liberal state in Africa reflects global rather than national accumulation priorities, facilitating the exploitation of African labour by foreign capital without enabling the state to utilise the greater circulation of capital to pursue developmental goals and benefit its citizens (Tickell & Peck, 2003: 163).

#### Conclusion: Limitations to Implementation

The conditions and pre-requisites of sustaining capital accumulation require a transformation of existing institutional mechanisms in sub-Saharan Africa. Operationalising the process of poverty reduction as envisaged by the World Bank requires the implementation of policies designed to facilitate capital accumulation. As such, the PRS aims to re-create the conditions associated with endogenous capitalism: dispossessing the African population of the means of subsistence and commodifying their labour within an expanded market.. However, the extraverted nature of African political economies means that expansion of the formal labour market is incumbent on the exigencies of foreign finance capital, and as such has developed in a way that benefits global accumulation circuits at the expense of increased national accumulation. The failure of the PRS to conceptualise the exploitative relations in Africa inhibits the pursuit of successful proletarianisation and capitalist development.

Furthermore, the PRS re-constitutes the state in Africa as a means of facilitating and sustaining capital accumulation. The PRS aims to implement a liberal form of governance to transform and overcome the perceived impediments of clientelist African politics. The state is disciplined both through inclusive participation in the PRSPs and through its requirement for financial capital and debt-relief. The reconstitution of the state, and institutionalisation of a socio-legal structure that enshrines private property rights, is not premised on a territorialised conception of the impediments to capitalist development that are prevalent in sub-Saharan Africa. Rather it is based on a universal implementation of 'market fundamentalism' and liberal governance to facilitate capital accumulation, regardless of its benefits for national political economies or their impoverished citizens.

## Chapter Four

# Impediments Confronting the PRS: realities of the African Periphery

Despite the institutional reconstitution of labour and the state and the extensive implementation of the Poverty Reduction Strategy (PRS) in sub-Saharan Africa (Holvoet et al, 2012: 749), the reduction of absolute poverty and promotion of sustained economic growth remains limited and incomplete (Appendix Five: Average Change in National Poverty Rates, World Bank, 2014). Engaging with the seemingly technical questions of policy design is a common preoccupation of those trying to explain such outcomes (Gottschalk, 2005: 419; Levy & Kpundeh, 2004: 3) but this focus is insufficient to address the impediments to growth in the region. The failure to achieve sustained poverty reduction can be better understood by examining the tensions and contradictions between the PRS and the empirical specificity of the political economies in sub-Saharan Africa. This chapter highlights the deficiencies of the International Financial Institutions (IFIs) project for poverty reduction by foregrounding the distinctive process of capitalist production and accumulation in Africa. It demonstrates the structural and historical impediments to growth that are integral to the failures of capitalism in Africa and impede the PRS.

The chapter first examines Africa's unique mode of accumulation and 'grafted' capitalism. Extending this analysis, the second section draws upon Samir Amin's (1982) distinction between 'articulated' and 'disarticulated' economies to elucidate the dichotomy between production and consumption, and between sectors, and applies these to sub-Saharan political economies. These two key facets of African political economies are then used to understand an inter-related set of impediments to sustained growth and poverty reduction encompassing land tenure, informality, industry, and the role of financial capital. This analysis demonstrates that the predominance of the World Bank, in determining Africa's development agenda has obscured the importance of empirical specificity regarding Africa's peripheral relations within international capitalism and the absence of sectoral linkages which

determine – and are determined by – the extent and form of production relations in the region.

#### Accumulation and Africa's 'Grafted' Capitalism

The capitalist logic of accumulation and the territorial logic of state administration were both introduced to Africa by colonial occupation (Brenner, 1998: 459). Partial primitive accumulation in much of the region was achieved by direct dispossession of the indigenous population, establishing regimes capable of expropriating value without exchange (Legassick, 1974: 253; Moore, 2004: 90). Marx's schema required primitive accumulation as a prior condition to a fully functioning capitalist system. In sub-Saharan Africa however, primitive accumulation was incomplete or applied only to 'enclaves' of colonial administration or particular natural resource wealth (Arrighi et al, 2010: 414). The result of this process is, as discussed in Chapter Three, the semi-proletarianisation of much of sub-Saharan Africa - with migratory 'informal' labour and subsistence agriculture blurring the 'binary' distinctions between rural and urban or capitalist and peasant production. This unique and incomplete character of capitalism has shaped debates regarding the extent of African capitalism since the post-independence period in Africa (1950s-1960s). 'Accumulation by dispossession' continues to dictate the governance and administration of capitalism in sub-Saharan Africa (Harvey, 2009: 63; Arrighi et al, 2010). The expansion of markets for labour and land, commoditisation of previously non-pecuniary areas (including tribal culture and wildlife for tourism) and the privatisation of social services, are all underpinned by a logic of dispossession to facilitate an expanded realm of production and exchange (Ruiters, 2007: 487).

Alongside this mode of accumulation by dispossession is the complementary capitalist logic of growth, which is maintained by widespread commodity exchange and the integration of production in African economies with global commodity circuits (Iyayi, 1986: 29-30). In the vast majority of countries there is a narrow and disjointed production base with ill-adapted technology, poor manufacturing capabilities, declining share in international markets and lethargic growth (Collier & Venables, 2007: 1332; Ndlela, 2007: 87). The partial capitalist mode of production present in most African economies is 'grafted' to pre-capitalist forms of production in

a distorted manner. This form of capitalism has not transformed the political economy as a whole, thus failing to produce dynamic growth and development. It remains totally dependent on external factors such as markets in, and capital from, the global political economy (Ndlela, 2007: 88). The endogenous capitalist mode of production arose out of the European feudal 'cradle of capitalism' which provided the social foundations for the transition towards extensive commodification of capital, labour, consumption and market penetration in the entire mode of production (Pellicani, 1994: 109; Ndlela, 2007: 88). In endogenous capitalism, the majority of production was geared to the output of commodities, so the impetus of the industrial revolution was able to significantly alter the social relations of society to sustain capitalist growth. But in contemporary African political economies, where the commodified formal sector is limited to enclaves, a development trajectory that aims to increase productivity has not produced a concomitant transformation in social relations or attracted sufficient investment to provide employment to a greater proportion of the informal workforce (Wilkinson & Webster, 1982: 2). The incomplete nature of African capitalist relations, and the barriers this presents to accumulation, are exacerbated by the phenomenon of structural disarticulation which characterises sub-Saharan political economies.

#### Structural Disarticulation in Africa: Domestic and International Origins

Samir Amin (1982; 205; 2011: 229) was among the first to describe 'structural disarticulation' in the African context. African political economies are responsive to the accumulation needs and crises of the developed 'core' countries, a relationship that manifests itself in a host of distortions and dislocations in the political economies of the African periphery (Heintz, 2010: 267). For Amin, a developed or 'articulated' economy is one where the production of capital goods and consumption are primary and linked. However, the predominant linkages in the 'disarticulated' economies of the African periphery are between the production of basic commodities and the export sector (Amin, 2011: 230). A disarticulated economy is, therefore, one whose constituent parts are not complementary, as compared to a coherent economy where there are domestic, as well as regional and sectoral complementarities. These reciprocities are facilitated by a pervasive commodification and an articulated system

of forward and backward linkages of production and consumption (Hirschman, 1958: 117).

The structural constraints to sustained growth in sub-Saharan Africa are manifest in global, as well as domestic relations. High levels of commodification in developed capitalist economies, pressures from industrialisation and falling domestic rates of profit necessitate the expansion of capitalist accumulation through trade with the African formal sector (Brenner & Theodore, 2002: 350; Shivji, 2008: 55). The legacy of colonial trading relations which necessitated only a minimal development of infrastructure and ancillary services continues to be maintained in formal sector 'enclaves' surrounding natural resource extraction and plantation based agriculture (e.g. the 'copperbelt' in Zambia [Negi, 2010] or Cocoa plantations in Ghana's Ashanti region [Tiffen et al, 2004]). Forward and backward linkages between these enclaves and other economic sectors are minimal and are directed, almost exclusively towards foreign export markets (Cramer, 1999: 1247).

The benefits from this transfer are realised in developed political economies – in higher profits for capital and higher wages for labour in developed countries with sufficient social organisation to demand them. The balance between the reward for labour and the development of the forces of production operates at a global level (Cox, 1987: 14). The structural systems of price in peripheral African countries are predominantly divorced from determinants such as productivity, and are instead governed by international systems of 'value' (Chase-Dunn, 1998: 57-8). This is evinced by the relative disparity between distribution of value added per worker in the centre (which is narrow) and the same distribution for workers in the periphery (which is dispersed) (Amin, 2011: 254; Appendix Six: Manufacturing Value added as a Percentage of GDP, World Bank, 2014; Appendix Seven: Agricultural value added per worker, World Bank, 2014). In the developed economies, wages and incomes necessarily increase according to the rate of productivity. In the disarticulated African model however, the remuneration of labour is decoupled from increases in productivity and growth (Amin, 2011: 218). Alain de Janvry concisely defines this contradiction:

"the key difference between social articulation and disarticulation thus originates in the sphere of circulation – in the geographical and social location of the market for the modern sector. Under social articulation, market expansion originates principally in rising national wages; under disarticulation, it originates either abroad or in profits and rents" (1981: 384).

The international transfer of values is reinforced by the language of the PRS. References to "enhancing international competitiveness" and the rationality of "world market prices" in Poverty Reduction Strategy Papers (PRSPs) are ubiquitous and suggest a theoretical misconception of the disparity in international capitalist relations (Government of Ghana & IMF, 2010: 21, 6; Kingdom of Lesotho & IMF, 2012: xi, 26). These prices are determined by disparate centre-periphery relations and are detached from internal conditions such as productivity or the exploitation of labour (Kiely, 1998: 63; Amin, 2011: 253). The transfer of value from the African periphery to the developed 'core' is manifest in unequal exchange, but has its origin in the conditions of production and exploitation of labour in Africa itself (Gibbon, 2005: 36; Amin, 2011: 253).

#### More Than Just Markets: Impediments to Growth in Sub-Saharan Africa

The unequal transfer of value that defines Africa's peripheral status in the international market is founded on the extent of capitalism and disarticulation of the political economies that comprise the region. The formal sector of most African economies is interlinked through various forms of infrastructure (roads, rail, telecommunications) designed to facilitate trade through exports. Yet domestically consumption between the different sectors is not linked (Morris et al, 2012: 408; Adera, 1995: 5). Firstly, there is a disarticulation between the structure of production and the structure of consumption (Shivji, 2008: 59). Encouraged into a regime of export-oriented growth by the PRSP, Africa continues to export a large proportion of its primary commodities (coffee, cocoa, diamonds, copper) without a significant regional or domestic market for these goods (Daviron & Gibbon, 2002: 141). The disarticulation between consumption and production in most African economies has its origin in trade liberalisation reform promoted by the IFIs in the 1980s. The primary focus of these policies remains the balance of trade, rather than the relationship

between the allocation of imports and economic development. Consequently, primary exports are prioritised and a substantial proportion of imports into Africa are consumer goods, rather than capital goods or intermediates that might allow for diversification or deeper industrialisation (Owusu, 2003: 1655; Taylor, 1988: 27). The availability of aid and debt-relief has frequently fuelled surges in consumption in Africa, often construed as promising growth but failing to sustain capital accumulation (Collier & Gunning, 1992: 925). Compounding this imbalance, the vast majority of imported consumer goods are delivered to the urban and elite markets satisfying demand for international products (De Janvry & Garramón, 1977: 29).

The reduction of local markets for domestic manufactured goods, due to importing firms working with vast economies of scale, and the lack of value-adding industries for agricultural products, presents a serious impediment to the development of capitalism in Africa (Daviron & Gibbon, 2002: 137-8; Tiffen, 2003: 1344). Importantly, this is an area which is central to the PRS agenda, exemplified in the 2008 World Development Report Agriculture for Development which asserts that the "agribusiness chain" can be supported by promoting investment in the "backward linkages to smallholders", provision of infrastructure which facilitates higher yields and more efficient agricultural-industry links through "electrification", "domestic fertilizer production" and "mobility support" (World Bank, 2013: 6, 18). However, these laudable objectives are subsumed by the proliferation of transnational cash crop enterprises which have precipitated a "scramble for land" in sub-Saharan Africa (Carmody, 2011: 14; Bryceson, 2002a: 725). The victims of this trend are the rural populations who see small-holdings purchased for plantations which cultivate palm oil, maize and sugarcane (Van de Walle, 2009: 311; Bryceson, 1996: 97). Moyo, Yeros, and Jha (2013) point to the exportation of basic commodities and proliferation of lucrative cash crop agriculture as precipitating wide-scale primitive accumulation, displacing producers from the land, drastically altering food chains and integrating the sub-Saharan periphery with the "Atlantic agro-industrial complex" (Moyo, Jha, Yeros, 2013: 94). The nutritional needs of the wider population are in the most part met by subsistence production, foreign imports and food aid (Bevan et al, 1991). There are competing demands for rural labour between food and cash crops which are exported. Often, the wages of cash crop agriculture take precedence over subsistence agriculture as commodity needs are more diverse than food (Bryceson, 2002b: 3-4).

Food shortages – of both quantity and nutrition – are typically addressed by food aid from western donors which in turn destroy domestic markets and reinforce dependency (Friedmann, 1993: 51; Sen, 1981: 433).

The role of capital in the market is often contradictory and detrimental to the immediate and long-term needs of the poor, evinced by the proliferation of cash crop agriculture and imported consumer goods. The World Bank conception of poverty reduction as the creation and expansion of formal labour markets - aimed at incentivising foreign direct investment with low wages and overheads – misconstrues the broader structural distortions that impede capitalist accumulation in sub-Saharan Africa (Government of Tanzania and IMF, 2006: 7; Moore, 2004: 87). The promotion of a formal sector which is geared to the exportation of basic commodities, and the entrenchment of detrimental terms of trade with other developed and developing regions, is a programme which perpetuates these conditions, providing limited opportunity for the creation of domestic value chains that engage a larger proportion of the population (Amin, 2003: 3). As such, the PRS's promotion of integration of formal sectors with the international market appears to serve the continuation of a peripheral position for Africa within the global social structure of accumulation, with little opportunity for the forward and backward linkages required to promote broadbased, incremental advances in economic indices and social well-being (Heintz, 2010: 267; Kotz & McDonough, 2010: 95).

The informal sector comprises the non-formal and communal sectors and is not linked beneficially to the formal sector, though it contributes significantly to survival and a continuation of people's economic and social well-being (Goodfellow & Titeca, 2012: 264-269). In many African economies, informal sector business may generate as much as half of Gross National Product (GNP) and support between 60 to 70% of the population (ILO, 2013: 196-201). Recent research demonstrates that attempts to 'formalise' or embed capitalist social relations along the "continuum" of informal or communal economic activity have not facilitated a shift of urban and rural workers towards more administrated and formalised occupations (Jütting & Laiglesia, 2009; Adams et al, 2013: 18). The 'self-employed' labour in the informal sector produces cheap wage goods thereby satisfying demand from formally employed workers with

low dispensable income (Benjamin & Mbaye, 2012: 120; Shivji, 2008: 67) The cheap supply of labour and subsistence provision of food from informal and communal economic activity serves to support the project of integrating the formal sector of African economies with international markets. A good example of this can be found in Tanzania, where the migration of rural youths known as wamachinga, who become street hawkers in the cities, are in effect, subsidising the costs of circulation of commodities in Dar es Salaam and thereby enhancing the profits of merchant capital, which is registered as an encouraging sign of 'growth' and accumulation by the World Bank (Shivji, 2008: 50; Liviga & Mekacha, 1998: 40-42). In fact, the prevalence of the informal sector can be seen as a physical manifestation of the disjuncture between the factors that separate African communities from the land (such as individualised land tenure and the predominance of plantation agriculture) and the limited efficacy of stimulating economic growth and higher employment by prioritising primary un-processed exports (Wilkinson & Webster, 1982: 2; Benjamin & Mbaye, 2012: 97; Appendix Eight: Informal Economy as a Percentage of GDP, Schneider et al, 2010; Appendix Nine: Wage and Salaried workers as a Percentage of Total Employment, World Bank, 2012). The distinction between the formal and informal sector and its normalised role in the reproduction of a disarticulated and disconnected political economy has only recently begun to be acknowledged by the World Bank (see for example Fox, 2011 or Benjamin et al, 2014). However, the necessity of engaging with the structures and dynamics of this sector as a means of development rather than an impediment remains absent from the emerging IFI discourse on this prevalent demographic.

In addition to this disarticulation between formal and informal labour, the role that financial capital plays in sub-Saharan Africa is also discordant with the PRSPs conflation of poverty reduction and global circuits of accumulation. Since the implementation of structural adjustment policies, trade liberalisation has been complemented by financial liberalisation. The inflow of financial capital was absorbed primarily for non-productive investments such as speculative real estate and financial markets (Bayoumi & MacDonald, 1995: 552). Thus 'credit booms' in sub-Saharan Africa are commonly accompanied by 'investment booms' in speculative markets and consumption of imported goods (IMF, 1995: 67). The booms are driven by new forms of comprador capital in subordinate, but mutually advantageous,

relationships with foreign financial capital. The "bureaucratic class" accumulates rents in the forms of corruption and bribes by alienating public resources (Wunsch, 2000: 135). The profits from mining, agriculture and construction enterprises are rarely productively invested or communicated in higher wages, but are either expatriated to foreign markets or sequestered by domestic elites in speculative activities, especially burgeoning real estate markets.

The physical manifestation of the prevalent compradorial class can be seen in Africa's rapidly expanding cities. Dar es Salaam, has an established class of wajisiriamali entrepreneurs who specialise in investments in the speculative real estate market. This market is driven by the supply of capital rather than a demand for housing and the result is an increasingly urbanised city centre surrounded by an increasing population of unsheltered citizens who occupy vast shanty town slums (Briggs & Mwamfupe, 1999: 272) Obeng-Odoom, 2013: 425). The 'booms' in the real estate market which facilitated this urbanisation are decoupled from the demands of the citizens who reside in the city. The supply of financial capital that is a primary consideration in the PRS, creates a speculative, rather than a needs-based, level of demand and this is demonstrated by the ad-hoc provision of infrastructural requirements (gas, electricity, water and transport) which are too dilapidated and inadequate to support high rise buildings (Gough & Yankson, 2000: 2485). The expansion of the speculative real estate market in many African cities demonstrates a disarticulation between need and demand for housing, and a demonstration of the ways in which the liberalisation of capital and precedence of markets has not delivered developmentally beneficial outcomes because of the specificity of African class dynamics. While the expansion of the urban real estate market in African cities such as Accra and Dar es Salaam is seized upon as a "natural by-product of emerging market growth" the empirical reality is that compradorial capital is displacing many poor urban residents and leading to a proliferation of slums which are the antithesis of an environment within which greater well-being and prosperity can be secured (Davis, 2014).

#### Conclusion: Territorialising the Poverty Reduction Strategy

'African' capitalism is an unbalanced and disarticulated structure which has been determined by an external imposition of social relations from the colonial period to the contemporary development project. Extractive regimes of production absorb the majority of capital that has been invested, and the absence of forward and backward linkages prohibits the productive employment of a greater proportion of the population to create relative surplus value. In addition the surplus that has been extracted has been realised in foreign markets, or as profits and rents rather than being re-invested. The process of capitalist development, though not reducible to Rostowian modernisation trajectories, does require the productive employment of a critical mass of the population. The promotion of individualised land tenure, in addition to the liberalised movement of foreign financial capital and enterprises has successfully dispossessed the vast majority of African's from the means of subsistence. However the absence of concomitant urban or industrial employment is the corollary of liberalised trade policies that are implemented as part of the PRSPs. The disarticulated structure of African political economies is thus perpetuated. They remain entrenched in peripheral relations with the international market supplying basic commodities to manufacturing centres across the world and facilitating global accumulation circuits with limited means of promoting national development or improving the livelihoods of their citizens.

### Conclusion

This thesis has demonstrated that the Poverty Reduction Strategy (PRS) has failed to substantially deliver on its expressed goal of poverty reduction in Africa because it pursues a strategy of capitalist accumulation that is antithetical to improving the livelihoods of the poor. In doing so, the PRS fails to accurately identify the impediments to accumulation, enhanced productivity and increased representation posed by the historically specific conditions of the African context. Although the global capitalist system has "generated unprecedented wealth and global interconnections", it has done so in a way that exacerbates, rather than addresses, the contradictions of capitalism and the exploitative relations which underpin the coreperiphery dynamic (Munck, 2009: 624). The World Bank is the institutional locus for contesting and reconciling the contradiction between the capitalist imperative of exploitative relations as expressed in the globalised social structure of accumulation, and the social imperative of providing the stability and prosperity required to improve the livelihoods of the world's poorest populations (Heintz, 2010: 267). Given the unique character of African capitalism and the limits to an export-oriented structure of production, the PRS serves to exacerbate the disarticulations of Africa's political economies and perpetuate, rather than address, the existing impediments to growth and improved livelihoods

The PRS replaces the overt neoliberalism of the "stabilise, liberalise, privatise" mantra with a subtler and seemingly more participatory strategy to pursue the same ends. This approach has failed to address the causes of African poverty because it does not reconcile the historically specific African conditions with a strategy of integration with global circuits of capital (Amin, 2003: 3). Further, the PRS disempowers the African poor, promoting their exploitation in a disarticulated market located on the periphery of a globalised structure of accumulation as 'secure' and 'inclusive' (Arrighi et al, 2010: 411). Simultaneously, it delegitimises their ability to collectively gain more democratic representation in the fragmented sphere of African governance.

A systematic framework has been applied to consider the emergence of the PRS as a revised development policy, the ideological and institutional components that underpin its implementation, and the discordance between these processes and the impediments to growth in sub-Saharan Africa (Kingston et al, 2011: 114). The PRS shows little dissimilarity to its forebearers. The continued primacy of 'market fundamentalism' in the World Bank's development strategy engenders a reproduction of past failings and the PRS deepens and reinforces, rather than disrupts the neoliberal trajectory of the World Bank's development policy over the past 30 years.

While the PRS rhetorically and programmatically emphasises the notions of inclusion, empowerment and security, these potentially progressive terms have been adjusted to legitimise the 'inclusive' neoliberal model of development espoused by the World Bank (Porter & Craig, 2004: 402). The PRS has appropriated the principles of 'civil society participation', 'country ownership' and 'decentralisation' to embed and internalise the disciplines of neoliberal capitalism throughout sub-Saharan Africa (Zack-Williams et al, 2006: 502). Furthermore, the commitment to 'poverty reducing' social policy in the PRSPs is conditioned both at the level of the heavily-indebted state and in determining the behaviours of those in extreme poverty. Notions of partnership and agency are constrained by the superficial nature of consultation and the conditional limits that are placed on acceptable reform (Barrientos, 2010: 18). The World Bank's monopoly on 'effective' development knowledge has foreclosed the opportunity for both constructive challenges and transformational change to come from within sub-Saharan Africa (Cammack, 2007: 196). The conditionality that the PRS enforces through debt relief, and the limited extent to which strategies are 'territorialised' and debated is likely to further the trend of heavily-indebted "governance states" reconstituted according to the prescriptions of the World Bank (Harrison, 2004: 5).

The operationalisation of the PRS through the reconstitution of labour serves to exacerbate the disarticulation of African political economies by dispossessing the majority of Africans from the means of subsistence without sufficient employment to absorb their labour. Further, the restructuring of the state aims to implement a liberal form of governance in order to transform and overcome the perceived obstacle that 'traditional' African politics poses to capital accumulation. The implementation of

these strategies is disconnected from the extraverted and fragmented reality of African political economies. An exposition of the characteristics and form of capitalism in African political economies has demonstrated the tensions inherent in an export oriented development strategy. The PRS is aimed at improving the livelihoods of those who are exploited by labour relations which are conditioned by Africa's peripheral status in global capitalism (Harvey, 2005: 92). The PRS is only partially equipped to explain the persistence of poverty in Africa, as it prioritises the sphere of exchange and overlooks the systematic exploitation of African labour by capital that is facilitated by its grafted mode of production.

#### *Towards a Genuine Poverty Reduction Strategy?*

The journey from analysis to prescription is a problematic one for any political economic analysis. However the systematisation of evidence provided in this thesis facilitates two wider considerations for the progression of the PRS in the near future. First, the prevalence of the 'inclusive' neoliberal approach should not be considered as a teleological effect of the contradictions inherent in globalised capitalism, rather as a manifestation of the contingency and dialectics which shape the World Bank's development agenda (Rückert, 2007: 111). As such, collective resistance to the absence of legitimate inclusion and participation in the PRS may facilitate a further shift towards a strategy that specifically addresses the needs of the poor and the relations of the international capitalist system that peripheralise sub-Saharan Africa. The impediments to capitalist development require a solution that is contingent on and specific to - the unbalanced structure and mode of capitalism in African political economies. If the PRS is to provide a legitimately representative and nationallyowned trajectory of development, then it must be adapted to incorporate an understanding of production relations and the unique composition of capitalism which determine Africa's relations within the global capitalist system.

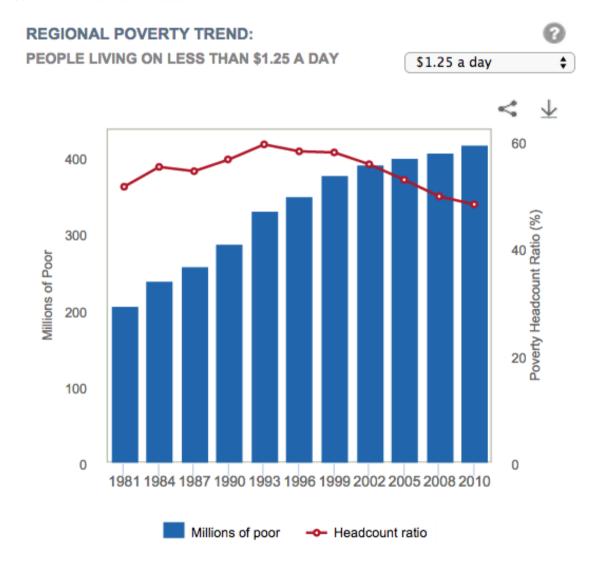
Second, the development policy of the IMF and World Bank is increasingly confronted by empirical evidence that efforts to build state capacity in conjunction with higher and more equitable income distribution may have to originate domestically (Levy & Kpundeh, 2004: 6). Furthermore, contingent relationships within elite groups (particularly between the interests of state and capital) and

relations between African elites and the broader polity are critical considerations (Taylor & Nel, 2002: 170). It seems that financing and promoting progressive forms of governance and politics to emerge, particularly by acting as a catalyst for new configurations of class power will provide the most effect use of international development assistance in the near future (Sandbrook, 2011: 415). In this way, the route to greater poverty reduction and 'good enough' governance in African countries might be through a greater understanding of the imbalances and impediments to development in African political economies (Grindle, 2011: 199). The prescription of policy and financial assistance on a far broader, and less intrusive scale could facilitate an organic and endogenous process of development grounded firmly in the historically specific conditions of African political economies. Given the multiplicity of social formations and capitalist relations in Africa, future developmental strategies should be continually problematised from a contingent, empirically specific perspective that accounts for the historical and geographic impediments to growth, the social relations which determine distribution, and the position of sub-Saharan Africa within the global political economy.

#### Appendix One: Sub-Saharan Africa- Regional Poverty Trend

Total Number of Poor Increasing/ Percentage of the Population in Poverty Decreasing

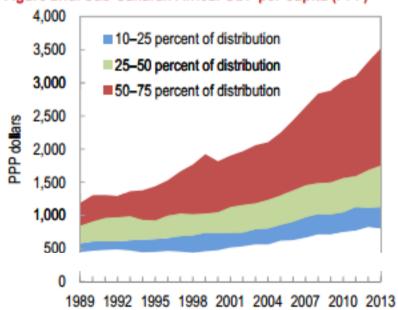
Source: World Bank Databank 2014



#### Appendix Two: Sub-Saharan Africa: Distribution of GDP per Capita (PPP)

Source: IMF, 2014: 22

Figure 2.1a. Sub-Saharan Africa: GDP per Capita (PPP)



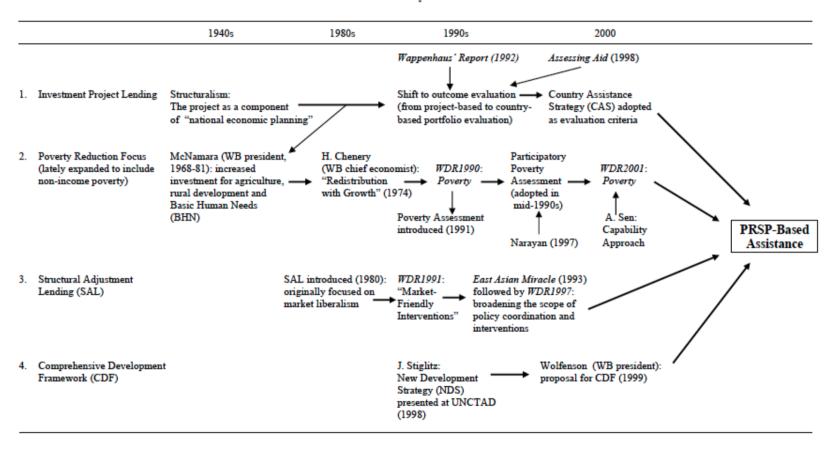
Source: IMF, World Economic Outlook database.

Note: PPP = purchasing power parity.

#### Appendix Three: The World Bank's Policy "Review" - Focus on the 1990's

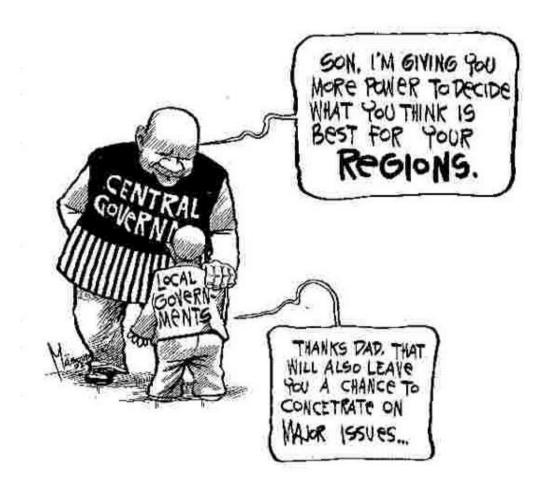
Source: Ishikawa, 2002: 5

Table 1: The World Bank's Aid Policy "Review" - Focus on the 1990s



#### **Appendix Four: Tanzanian Civil Soviety Organisation Illustration of Decentralisation**

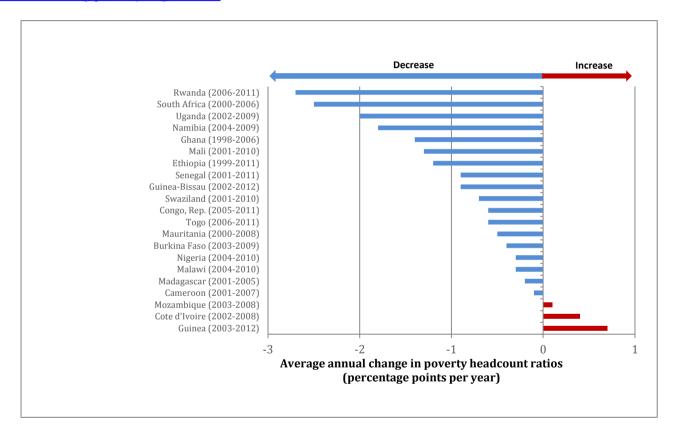
Source: Cammack 2007: 208



Artist: Masoud. Hakikazi Catalyst

#### <u>Appendix Five: Average Annual Change in National Poverty Rates</u> Source: World Bank (2014) Poverty Data bank:

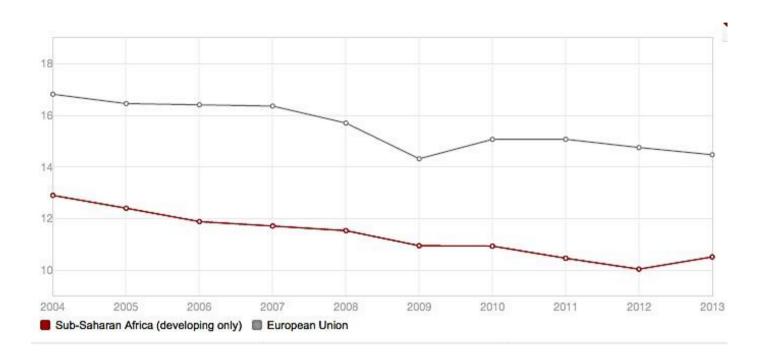
Source: World Bank (2014) Poverty Data bank: http://povertydata.worldbank.org/poverty/region/SSA



#### Appendix Six: Manufacturing Value Added as a Percentage of GDP in Sub-Saharan Africa and European Union

Source: World Bank (2014) Data bank:

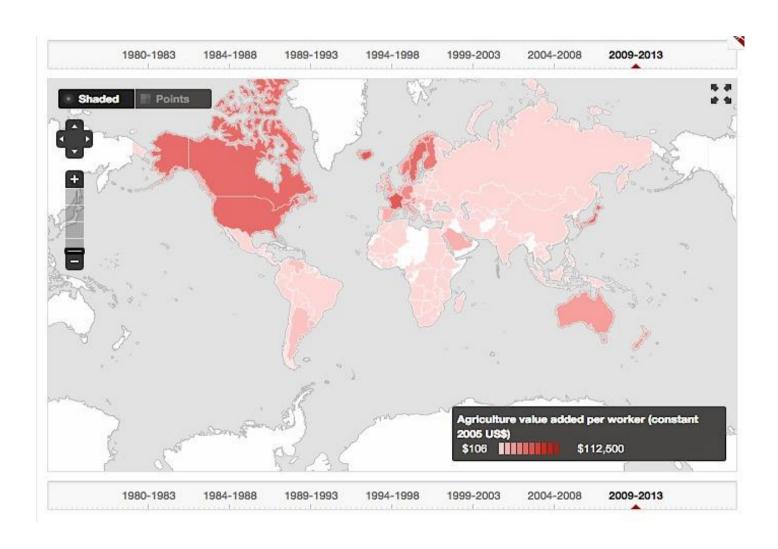
http://data.worldbank.org/indicator/NV.IND.MANF.ZS/countries/ZF-EU?display=graph



#### Appendix Seven: Agriculture - Value Added per Worker

Source: World Bank (2014) Data bank:

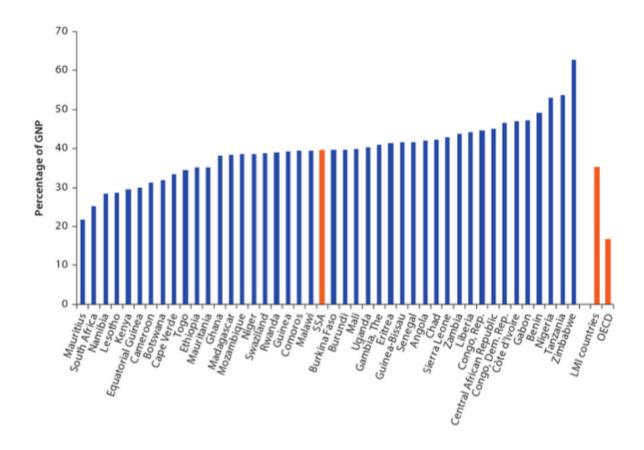
http://data.worldbank.org/indicator/EA.PRD.AGRI.KD/countries/ZF?display=map



#### **Appendix Eight: Informal Economy as a Percentage of GNP**

Source: Schneider, Buehn and Montenegro, 2010

Informal Economy as a Percentage of GNP in sub-Saharan Africa from 2006-2007

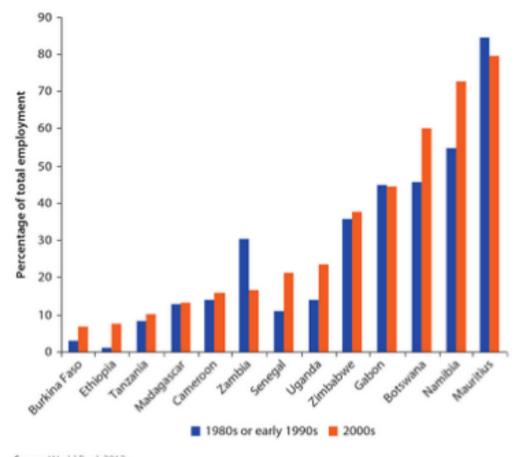


Note: GNP- gross national product. <u>LMI- low and middle income. OECD- Organisation for</u>
<u>Economic Co-operation and Development.</u> SSA- sub0Saharan Africa

#### Appendix Nine: Wage and Salaried Workers as a Percentage of Total Employment

Source: World Bank 2012

Wage and Salaried Workers in sub-Saharan as a Percentage of Total Employment 1980s - 2000s



## **Bibliography**

Adams, A. V., de Silva, J. S., Razmara, S. (2013) *Improving Skills Development in the Informal Sector: Strategies for sub-Saharan Africa*. World Bank: Washington DC.

Addison, T., Arndt, C., & Tarp, F. (2011). The triple crisis and the global aid architecture. *African Development Review*, 23(4), 461-478.

Adera, A. (1995) Instituting effective linkages between the formal and informal financial sectors in Africa. *Savings and Development*. 19(1). 5-27.

Aina, T. A. (1993). Development Theory and Africa's Lost Decade: Critical Reflections on Africa's Crisis and Current Trends in Development Thinking and Practice. *Changing Paradigms in Development—South, East and West*, 11-26.

Amin, S. (1982). The Disarticulation of Economy within Developing Societies. *Introduction to the Sociology of "Developing Societies" Monthly Review Press, New York*, 205-209.

Amin, S. (2003). 'World poverty, pauperization and capital accumulation'. *Monthly Review*, 55(5), 1-9.

Amin, S. (2011). *Maldevelopment: anatomy of a global failure*. United Nations University Press.

Anyang' Nyong'o, P. (1988). The possibilities and historical limitations of importsubstitution industrialization in Kenya. *Industrialization in Kenya: In Search of a Strategy*, 6.

Arrighi, G. (1979). Peripheralization of Southern Africa, I: Changes in production processes. *Review (Fernand Braudel Center)*.

Arrighi, G., Aschoff, N., & Scully, B. (2010). Accumulation by dispossession and its limits: the Southern Africa paradigm revisited. *Studies in Comparative International Development*, 45(4), 410-438.

Asiedu, E. (2002). On the determinants of foreign direct investment to developing countries: is Africa different?. *World development*, *30*(1), 107-119.

Bakker, I. Gill, S. (2006) 'New Constitutionalism and the Social Reproduction of Caring Institutions'. *Theoretical Medicine and Bioethics*. Vol. 27: 35-57.

Barrientos, A., Niño-Zarazúa, M., Hulme, D., Hickey, S. (2010). Social protection in Sub-Saharan Africa: Will the green shoots blossom?. *Brooks World Poverty Institute Working Paper*, (116).

Barro, R. J., Lee, J. W. (2013). A new data set of educational attainment in the world, 1950–2010. *Journal of development economics*, 104, 184-198.

Bayoumi, T., & MacDonald, R. (1995). Consumption, income, and international capital market integration. *Staff Papers-International Monetary Fund*, 552-576.

Bebbington, A. (1999). Capitals and capabilities: a framework for analysing peasant viability, rural livelihoods and poverty. *World development*, 27(12), 2021-2044.

Beckman, B. (1993). The liberation of civil society: neo-liberal ideology and political theory. *Review of African Political Economy*, 20(58), 20-33.

Benjamin, N., Mbaye, A. A. (2012). *The Informal Sector in Francophone Africa: Firm Size, Productivity, and Institutions*. World Bank Publications.

Benjamin, N., Beegle, K., Recanatini, F., & Santini, M. (2014). Informal economy and the World Bank. *World Bank Policy Research Working Paper*, (6888).

Bernstein, H. (1998). Social change in the South African countryside? Land and production, poverty and power. *The Journal of Peasant Studies*, 25(4), 1-32.

Bertocchi, G., Canova, F. (2002). Did colonization matter for growth?: An empirical exploration into the historical causes of Africa's underdevelopment. *European economic review*, 46(10), 1851-1871.

Bevan, D., Collier, P., Gunning, J. W. (1991). The Persistence of Shortages in Rural Black Markets. In Roemer, M and C. Jones. *Markers in Developing Countries: Parallel, Fragmented. and Black. San Francisco: International Centre for Economic Growth.* 

Birdsall, N., Londoño, J. L. (1997). Asset inequality matters: an assessment of the World Bank's approach to poverty reduction. *The American Economic Review*, 32-37.

Booth, D. (2005). Missing links in the politics of development: Learning from the PRSP experiment. London: Overseas Development Institute.

Bourdieu, P. (2003). Firing back: Against the tyranny of the market 2 (Vol. 2). Verso.

Bradshaw, Y. W., Tshandu, Z. (1990). Foreign capital penetration, state intervention, and development in Sub-Saharan Africa. *International Studies Quarterly*, 229-251.

Brenner, N. (1998). Between fixity and motion: accumulation, industrial organization and the historical geography of spatial scales. *Environment and Planning D*, 16, 459-482.

Brenner, R. (1977) 'The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism'. *New Left Review*. Vol. 104. July-August.

Brenner, N., Theodore, N. (2002). Cities and the geographies of "actually existing neoliberalism". *Antipode*, 34(3), 349-379.

Briggs, J., Mwamfupe, D. (1999). The changing nature of the peri- urban zone in Africa: Evidence from Dar es Salaam, Tanzania. The Scottish Geographical Magazine, 115(4), 269-282.

Broadman, H. G. (2007). *Africa's silk road: China and India's new economic frontier*. World Bank Publications.

Bryceson, D. F. (1996). De-agrarianization and rural employment in sub-Saharan Africa: a sectoral perspective. *World Development*, 24(1), 97-111.

Bryceson, D. F. (1999). African rural labour, income diversification & livelihood approaches: a long-term development perspective. Review of African Political Economy, 26(80), 171-189.

Bryceson, D. F. (2002a). The scramble in Africa: reorienting rural livelihoods. *World development*, 30(5), 725-739.

Bryceson, D. F. (2002b). Multiplex livelihoods in rural Africa: recasting the terms and conditions of gainful employment. *The Journal of Modern African Studies*, *40*(01), 1-28.

Buiter, W. H. (2007). 'Country ownership': a term whose time has gone. *Development in Practice*, 17(4-5), 647-652.

Bwalya, E., Rakner, L., Svåsand, L., Tostensen, A., Tsoka, M. (2004). Poverty reduction strategy processes in Malawi and Zambia. *NDR Reports*.

Cahill, D. (2013) Ideas-centred explanations of the rise of Neoliberalism: A critique. *Australian Journal of Political Science*. Vol. 48, No. 1: 71-84.

Cammack, P. (2002). The mother of all governments: the World Bank's matrix for global governance'. *Global governance: critical perspectives*, 36-53.

Cammack, P. (2003) 'The governance of global capitalism: a new materialist perspective'. *Historical Materialism*. 11:2, 37-59.

Cammack, P. (2004) 'What the World Bank Means by Poverty Reduction, and Why It Matters'. *New Political Economy*. Vol. 9, No. 2: 189-211.

Cammack, P. (2007) 'What the World Bank Means by Poverty Reduction, and Why it Matters.' *New Political Economy*. Vol. 9, No. 2: 189-211.

Carmody, P. (2011). The new scramble for Africa. New York: Polity Press

Chase-Dunn, C. K. (1998). *Global formation: Structures of the world-economy*. Rowman & Littlefield.

Chen, S., & Ravallion, M. (2004). How have the world's poorest fared since the early 1980s?. *The World Bank Research Observer*, 19(2), 141-169.

Cheru, F. (2001). Economic, social and cultural rights: the highly indebted poor countries (HIPC) initiative: a human rights assessment of the Poverty Reduction Strategy Papers (PRSP). *The Economic Journal*, 4(2001), 56.

Collier, P. (2006). Is aid oil? An analysis of whether Africa can absorb more aid. *World development*, *34*(9), 1482-1497.

Collier, P., & Gunning, J. W. (1992). Aid and exchange rate adjustment in African trade liberalisations. *The Economic Journal*, 925-939.

Collier, P., & Venables, A. J. (2007). Rethinking trade preferences: how Africa can diversify its exports. *The World Economy*, *30*(8), 1326-1345.

Cooper, F. (1993). Confronting historical paradigms: peasants, labour, and the capitalist world system in Africa and Latin America. University of Wisconsin Press.

Cordella, T., & Dell'Ariccia, G. (2002). Limits of conditionality in poverty reduction programs.

Cornwall, A., & Brock, K. (2005). What do buzzwords do for development policy? A critical look at 'participation', 'empowerment' and 'poverty reduction'. *Third world quarterly*, 26(7), 1043-1060.

Cotula, L. (2009). Land grab or development opportunity?: agricultural investment and international land deals in Africa. IIED: London.

Cousins, B., Cousins, T., Hornby, D., Kingwill, R., Royston, L., & Smit, W. (2005). Will formalising property rights reduce poverty in South Africa's 'second economy'. *Questioning the mythologies of Hernando de Soto. Plaas Policy Brief*, (18).

Cox, R. W. (1987). *Production, power, and world order: Social forces in the making of history* (Vol. 1). Columbia University Press.

Cox, K. R., Negi, R. (2010) 'The State and the Question of Development in Sub-Saharan Africa'. *Review of African Political Economy*. Vol. 37, No. 123: 71-85.

Cox, R. W., Schechter, M. G. (2002) *The Political Economy of a Plural World: Critical Reflections on Power, Morals and Civilisation*. London: Routledge.

Craig, D., Porter, D. (2006) *Development Beyond Neoliberalism: Governance, Poverty reduction and Political Economy*. London: Routledge.

Cramer, C. (1999). Can Africa industrialize by processing primary commodities? The case of Mozambican cashew nuts. *World Development*, 27(7), 1247-1266.

Das, J., Do, Q. T., & Özler, B. (2005). Reassessing conditional cash transfer programs. *The World Bank Research Observer*, 20(1), 57-80.

Daviron, B., & Gibbon, P. (2002). Global commodity chains and African export agriculture. *Journal of agrarian change*, 2(2), 137-161.

Davis, K. (2014) Top five real estate opportunities in sub-Saharan Africa. *Ventures*. April 7. Accessed Online April 21: http://www.ventures-africa.com/2014/04/top-5-real-estate-opportunities-in-sub-saharan-africa/

Deaton, A., Banerjee, A., Lustig, N., Rogoff, K., & Hsu, E. (2006). An evaluation of World Bank research, 1998-2005. World Bank, Washington D.C.

De Janvry, A. (1981). The role of land reform in economic development: policies and politics. *American Journal of Agricultural Economics*, 63(2), 384-392.

De Janvry, A., & Garramón, C. (1977). Laws of motion of capital in the center-periphery structure. *Review of Radical Political Economics*, 9(2), 29-38.

Desai, V., Potter, R. B. (2014) *The Companion to Development Studies*. Routledge: London.

De Walque, G., Pierrard, O., & Rouabah, A. (2010). Financial (in)stability, supervision and liquidity injections: A dynamic general equilibrium approach. *The Economic Journal*, 120(549), 1234-1261.

Dijkstra, G. (2005) 'The PRSP Approach and the Illusion of Improved Aid Effectiveness: Lessons From Bolivia, Honduras and Nicaragua. *Development Policy Review*. Vol. 23, No. 4: 443-464.

Dingwerth, K. (2008). Private transnational governance and the developing world: A comparative perspective. *International Studies Quarterly*, *52*(3), 607-634.

Driscoll, R., & Evans, A. (2005). Second- generation poverty reduction strategies: New opportunities and emerging issues. Development Policy Review, 23(1), 5-25.

du Toit, C., & Moolman, E. (2004). A neoclassical investment function of the South African economy. *Economic Modelling*, 21(4), 647-660.

Easterly, W. (2001). The lost decades: developing countries' stagnation in spite of policy reform 1980–1998. *Journal of Economic Growth*, 6(2), 135-157.

Easterly, W. (2002). How did heavily indebted poor countries become heavily indebted? Reviewing two decades of debt relief. *World Development*, 30(10), 1677-1696.

Easterly, W. (2005). What did structural adjustment adjust?: The association of policies and growth with repeated IMF and World Bank adjustment *Journal of development economics*, 76(1), 1-22.

Easterly, W. (2006). Reliving the 1950s: the big push, poverty traps, and takeoffs in economic development. *Journal of Economic Growth*, 11(4), 289-318.

Easterly, W. (2009). How the millennium development goals are unfair to Africa. *World Development*, *37*(1), 26-35.

Economist, T. (2011 Africa's Hopeful Economies: The Sun Shines Bright. The Economist. December 3rd. Accessed Online 13th January 2014: <a href="http://www.economist.com/node/21541008">http://www.economist.com/node/21541008</a>

Egulu, L. (2004). *Trade union participation in the PRSP process*. Social Protection, World Bank.

Elahi, K., Stilwell, F. (2013). Customary Land Tenure, Neoclassical Economics and Conceptual Bias. *Nuigini Agrisayens*, 5, 28-39.

Ellis, F., & Bahiigwa, G. (2003). Livelihoods and rural poverty reduction in Uganda. *World Development*, *31*(6), 997-1013.

Ellis, F., & Freeman, H. A. (2004). Rural livelihoods and poverty reduction strategies in four African countries. *Journal of development studies*, 40(4), 1-30.

Elson, D. (1998) 'The Economic, The Political, and the Domestic: Business, States, and Households in the Organisation of Production'. *New Political Economy*. Vol. 3, No. 2: 189-201.

Elson, D., & Cagatay, N. (2000). The social content of macroeconomic policies. *World Development*, 28(7), 1347-1364.

Engels, F. (1890) Letter to Otto Von Boenigk in Breslau. Trans. Baggins, B. (2000) Accessed online 17 March 2014 at: https://www.marxists.org/archive/marx/works/1890/letters/90\_08\_21.html

Ferguson, J. (2005). Decomposing modernity: history and hierarchy after development. *Postcolonial studies and beyond*, 166-181.

Ferguson, J. (2006). *Global shadows: Africa in the neoliberal world order*. Duke University Press.

Fortson, J. G. (2011). Mortality risk and human capital investment: The Impact of HIV/AIDS in Sub-Saharan Africa. *The Review of Economics and Statistics*, 93(1), 1-15.

Fox, L. (2011). Why Is the Informal Normal in Low-Income Sub-Saharan Africa?. *World Bank, Washington, DC*.

Friedmann, H. (1993). The political economy of food: a global crisis. *New left review*, 29-29.

Galbraith, J. K. (2008) *The Predatory State*. Free Press: New York.

Garrett, G. (2000) 'The causes of globalisation'. *Leitner Working Paper*. Accessed Online June 2<sup>nd</sup> 2014: http://www.yale.edu/leitner/paper.htm.

Gaventa, J. (2004). Towards participatory governance: assessing the transformative possibilities. *Participation: From tyranny to transformation*, Eds. Hickey, S. Mohan, G. New York: Zed Books.

Gibbon, P. (2005). *Trading down: Africa, value chains, and the global economy*. Temple University Press.

Gilbert, C. L., Vines, D. (2000) *The World Bank Structure and Policies*. Oxford Policy Institute.

Gill, S. (1995) 'Globalisation, Market Civilisation, and Disciplinary Neoliberalism'. *Millennium Journal of International Studies*. Vol. 24, No. 3: 399-423.

Gilpin, R. (2011). Global political economy: Understanding the international economic order. Princeton University Press.

Gimenez, M. E. (2004). Connecting Marx and feminism in the era of globalization: A preliminary investigation. *Socialism and Democracy*, *18*(1), 85-105.

Goodfellow, T., & Titeca, K. (2012). Presidential intervention and the changing 'politics of survival' in Kampala's informal economy. *Cities*, 29(4), 264-270.

Gore, C. (2000). The rise and fall of the Washington Consensus as a paradigm for developing countries. *World development*, 28(5), 789-804.

Gottschalk, R. (2005). The macro content of PRSPs: Assessing the need for a more flexible macroeconomic policy framework. *Development Policy Review*, 23(4), 419-442.

Gough, K. V., & Yankson, P. W. (2000). Land markets in African cities: the case of peri-urban Accra, Ghana. *Urban studies*, *37*(13), 2485-2500.

Gould, J. (Ed.). (2005). The New Conditionality: The politics of poverty reduction strategies. Zed books.

Government of Ghana & The International Monetary Fund (2010) *Ghana Shared Growth and Development Agenda (GSGDA) 2010-2013*. December. Accessed 19 February 2014: http://www.imf.org/external/pubs/ft/scr/2012/cr12203.pdf

Government of Tanzania & The International Monetary Fund (2010) *Poverty Reduction Strategy Paper*. Joint Staff Advisory Note. Washington D.C.

Grindle, M. S. (2004). Good enough governance: poverty reduction and reform in developing countries. *Governance*, 17(4), 525-548.

Grindle, M. S. (2011). Good enough governance revisited. *Development Policy Review*, 29(s1), s199-s221.

Hall, S. (1996). Race, articulation, and societies structured in dominance. *Black British cultural studies: A reader*. Eds Baker, H. A., Diawara, M., Lindeborg, R. H.

Harbeson, J. W., Rothchild, D., & Chazan, N. (Eds.). (1994). *Civil society and the state in Africa*. Lynne Rienner Publishers.

Harrison, G. (2004). The World Bank and Africa: the construction of governance states. Routledge.

Harvey, D. (2005). From globalization to the new imperialism. *Critical globalization studies*, 91-100.

Harvey, D. (2009). The 'new' imperialism: accumulation by dispossession. *Socialist register*, 40(40).

Harvey, D. (2011). The enigma of capital: and the crises of capitalism. Profile Books.

Heintz, J. (2010) The Social Structure of Accumulation in South Africa. McDonough, T., Reich, M., Kotz, D. M. (Eds.) *Contemporary capitalism and its crises: social structure of accumulation theory for the 21st century*. Cambridge University Press.

Helleiner, G. K. (1992). The IMF, the World Bank and Africa's adjustment and external debt problems: An unofficial view. *World Development*, 20(6), 779-792.

Hellinger, D., Hansen-Kuhn, K., & Fehling, A. (2001). Stripping Adjustment Policies of Their Poverty-Reduction Clothing: A New Convergence in the Challenge to Current Global Economic Management. *The Development Gap*.

Hickey, S. (2012). Beyond 'Poverty Reduction through Good Governance': The New Political Economy of Development in Africa. *New Political Economy*, 17(5), 683-690.

Hickey, S., & Mohan, G. (2008). The politics of establishing pro-poor accountability: what can poverty reduction strategies achieve? *Review of international political economy*, 15(2), 234-258.

Higgins, V., & Lockie, S. (2002). Re-discovering the social: neo-liberalism and hybrid practices of governing in rural natural resource management. *Journal of Rural Studies*, 18(4), 419-428.

Hirschmann, A. O. (1958). The Strategy of Economic Development. New Haven: Yale University Press.

Holvoet, N., Gildemyn, M., & Inberg, L. (2012). Taking Stock of Monitoring and Evaluation Arrangements in the Context of Poverty Reduction Strategy Papers:

Evidence from 20 Aid-Dependent Countries in Sub-Saharan Africa. Development Policy Review, 30(6), 749-772.

Idoniboye-Obu, S. A., & Uzodike, U. O. (2013). Curbing bureaucratic corruption in Africa. *Ubuntu: Journal of Conflict Transformation: Special issue: corruption and public venality in Africa*, 2(1 & 2), 21-46.

International Labour Organisation [ILO] (2013) Measuring Informality: a statistical manual on the informal sector and informal employment.

Accessed online 14 September 2014: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\_222979.pdf

International Monetary Fund, (1995). International Monetary Fund Annual Report 1995.

International Monetary Fund (2014) Sub-Saharan Africa: fostering durable and inclusive growth. *Regional Economic Outlook*. April 2014.

Ishikawa, S. (2002) "Growth promotion versus poverty reduction: World Bank rethinking of aid policy and implications for developing countries".

Accessed Online March 7 2014:

www.grips.ac.jp/forum-e/pdf\_e01/Ishikawa1.pdf

Iyayi, F. (1986). The primitive accumulation of capital in a neo-colony: the Nigerian case. *Review of African Political Economy*, 13(35), 27-39.

Jenkins, R. (1984). Divisions over the international division of labour. *Capital & Class*, 8(1), 28-57.

Jenson, J., Saint-Martin, D. (2003) 'New Routes to Social Cohesion, citizenship and the Social Investment State'. *Canadian Journal of Sociology*. Vol. 28, No. 1: 77-99.

Joyce, J. P. (2006). Promises made, promises broken: A model of IMF program implementation. *Economics & Politics*, 18(3), 339-365.

Jütting, J. P., & Laiglesia, J. R. (2009). Employment, poverty reduction and development: What's new. *Is informal normal*, 17-26.

Kakwani, N., & Pernia, E. M. (2000). What is pro-poor growth?. *Asian development review*, 18(1), 1-16.

Kakwani, N., Soares, F. V., & Son, H. H. (2005). Conditional cash transfers in African countries. *Brasilia: International Poverty Centre, United Nations Development Programme*.

Katz, C. (2001) 'Vagabond Capitalism and the Necessity of Social Production'. *Antipode: A Radical Journal of Geography.* Vol. 33, No. 4: 708-727.

Kiely, R. (1998). Neo liberalism revised? A critical account of World Bank concepts of good governance and market friendly intervention. *Capital & Class*, 22(1), 63-88.

Kilby, P., & Kilby, S. (1969). *Industrialization in an open economy: Nigeria, 1945-1966* (pp. 159-165). Cambridge: Cambridge University Press.

Kingdom of Lesotho & IMF (2012) *National Strategic Development Plan 2012-2017*. May. Accessed February 24 2014:

http://planipolis.iiep.unesco.org/upload/Lesotho/Lesotho\_National\_Strategic\_Development\_Plan\_2012\_2017.pdf

Kingston, C., Irikana, G. J., Dienye, V. U., & Kingston, K. G. (2011). The Impacts of the World Bank and IMF Structural Adjustment Programmes on Africa: The Case Study of Cote D'Ivoire, Senegal, Uganda, and Zimbabwe. *Sacha Journal of Policy and Strategic Studies*, *1*(2), 110-130.

Klak, T. (2008). 2.8 World-systems theory: Cores, peripheries and semi-peripheries. *The Companion to Development Studies*.

Klugman, I. (2002a) *A Sourcebook for Poverty Reduction Strategies*: Volume 1 Core Techniques and Cross Cutting Issues. Washington DC: The World Bank.

Klugman, I. (2002b) *A Sourcebook for Poverty Reduction Strategies*: Volume 2 Macroeconomic and Sectoral Approaches. Washington DC: The World Bank.

Konadu-Agyemang, K. (2000). The best of times and the worst of times: structural adjustment programs and uneven development in Africa: the case of Ghana. *The Professional Geographer*, 52(3), 469-483.

Konings, P. (2011). The politics of neoliberal reforms in Africa: State and civil society in Cameroon. African Books Collective.

Kose, M. A., Otrok, C., & Prasad, E. (2012). Global Business Cycles: Convergence or Decoupling? *International Economic Review*, *53*(2), 511-538.

Kothari, U., Minogue, M (Eds.). (2002). Development theory and practice: critical perspectives. Palgrave.

Kotz, D. M., & McDonough, T. (2010). Global neoliberalism and the contemporary social structure of accumulation. *Contemporary capitalism and its crises: Social structure of accumulation theory for the 21st century*, 93-120.

Kyung-Sup, C., Fine, B., & Weiss, L. (Eds.). (2012). *Developmental politics in transition: The neoliberal era and beyond*. Palgrave Macmillan.

Lagarde, M., Haines, A., & Palmer, N. (2009). The impact of conditional cash transfers on health outcomes and use of health services in low and middle income countries. *Cochrane Database System Review*, 4.

Lange, S. (2008). The depoliticisation of development and the democratisation of politics in Tanzania: Parallel structures as obstacles to delivering services to the poor. *The Journal of Development Studies*, 44(8), 1122-1144.

Legassick, M. (1974) 'South Africa: Capital Accumulation and Violence'. *Economy and Society*. Vol, 3, No. 3: 253-291.

Levy, B., & Kpundeh, S. J. (Eds.). (2004). *Building state capacity in Africa: new approaches, emerging lessons*. World Bank Publications.

Lister, S., & Nyamugasira, W. (2003). Design contradictions in the 'New Architecture of Aid'? Reflections from Uganda on the roles of civil society organisations. *Development Policy Review*, 21(1), 93-106.

Liviga, A. J., & Mekacha, R. D. (1998). *Youth migration and poverty alleviation: a case study of petty traders (wamachinga) in Dar es Salaam* (No. 98). Research Programme on Poverty Alleviation.

Mahon, R., Macdonald, L. (2009) 'Poverty Policy and Politics in Canada and Mexico: Inclusive Liberalism?' In Macdonald, L., Rückert, A. *Post-Neoliberalism in the Americas*. London: Palgrave Macmillan: 184-198.

Marais, H. (2001). South Africa: Limits to change: The political economy of transition. Palgrave Macmillan.

Marx, K. (1976 [1867]) *Capital: Volume One*. Accessed online 8<sup>th</sup> September: <a href="https://www.marxists.org/archive/marx/works/download/pdf/Capital-Volume-I.pdf">https://www.marxists.org/archive/marx/works/download/pdf/Capital-Volume-I.pdf</a>

Molyneaux, M. (2006) 'Mothers at the Service of the New Poverty Agenda'. *Social Policy and Administration*. Vol. 40, No. 4: 425-449.

Moore, D. (2004) 'The Second Age of the Third World: From Primitive Accumulation to Global Public Goods'. *Third World Quarterly*. Vol. 25, No. 1: 87-109.

Morris, M., Kaplinsky, R., & Kaplan, D. (2012). "One thing leads to another"—Commodities, linkages and industrial development. *Resources Policy*, *37*(4), 408-416.

Moyo, D. (2009). Dead aid: Why aid is not working and how there is another way for Africa. *Farrar Straus & Giroux*.

Moyo, S., Jha, P., & Yeros, P. (2013). The Classical Agrarian Question: Myth, Reality and Relevance Today. *Agrarian South: Journal of Political Economy*,2(1), 93-119.

Mozaffar, S. (2002). Patterns of electoral governance in Africa's emerging democracies. *International Political Science Review*, 23(1), 85-101.

Munck, R. (2009). Afterword: beyond the 'new'international labour studies. *Third World Quarterly*, 30(3), 617-625.

Ndedi, A. A. (2003). Entrepreneurship and the Millennium Development Goals. Accessed Online 2 August 2014:

http://www.gdnet.org/middle.php?oid=237&zone=dosc&action=doc&doc=11101

Ndlela, D. B. (2007). Africa's Industrialization: An Alternative Approach. In Senghor, J. C., Poku, N. *Towards Africa's Renewal*. Ashgate: United Kingdom.

Negi, R. (2010) 'Mining Boom, Capital and Chiefs in the 'New Copperbelt' In Fraser, A., Larmer, M. (eds) *Zambia, Mining and Neoliberalism: Boom and Bust on the Globalised Copperbelt*. Johannesburg: Africa Connects.

Nellis, J. (2003). Privatization in Africa: What has happened? What is to be done?.Roland, G. *Privatization Successes and Failures*. Columbia University Press.

Nyong'o, P. A. (2002). The study of African politics: A critical appreciation of a heritage. Heinrich Böll Foundation.

O'Brien, R. (2000) Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements. United Kingdom: Cambridge University Press.

O'Connor, J. (1973) The Fiscal Crisis of the State. New Brunswick: Saint Martin Press.

Obeng-Odoom, F. (2012). Land reforms in Africa: Theory, practice, and outcome. *Habitat international*, 36(1), 161-170.

Obeng - Odoom, F. (2012). Neoliberalism and the Urban Economy in Ghana: Urban Employment, Inequality, and Poverty. Growth and Change, 43(1), 85-109.

Obeng-Odoom, F. (2013) 'Africa's Failed Economic Development Trajectory: A Critique'. *African Review of Economics and Finance*. Vol. 4, No. 2.

OECD, (2014). Making Development Co-operation More Effective 2014 Progress Report. New York.

Oyejide, T, A. (1997). Regional integration and trade liberalization in sub-Saharan Africa (No. 28.

Owusu, F. (2003). Pragmatism and the gradual shift from dependency to neoliberalism: the World Bank, African leaders and development policy in Africa. *World Development*, 31(10), 1655-1672.

Pearson, R. (1998) 'The Political Economy of Social Reproduction: A Case of Cuba in the 1990s'. *New Political Economy*. Vol. 3, No. 2: 241-260.

Pejovich, S. (2012). The effects of the interaction of formal and informal institutions on social stability and economic development. *Journal of Markets & Morality*, 2(2). 164-181.

Pellicani, L. (1994) *The Genesis of Capitalism and the Origins of Modernity*. Telos Press: New York.

Pender, J. (2001). From structural adjustment to comprehensive development framework' conditionality transformed?. *Third World Quarterly*, 22(3), 397-411.

Pieper, U., & Taylor, L. (1998). The revival of the liberal creed: the IMF, the World Bank, and inequality in a globalized economy. *Globalization and progressive economic policy*, 37-63.

Polanyi, K. (2001 [1944]) The Great Transformation: The Political and Economic Origins of Our Time. Boston: Beacon

Porter, D. & Craig, D. (2004). The third way and the third world: poverty reduction and social inclusion in the rise of 'inclusive' liberalism. *Review of International Political Economy*, 11(2), 387-423.

Poulantzas, N. A. (2000). State, power, socialism (Vol. 29). Verso.

Prempeh, E. O. K. (2006) 'The Anti-capitalism Movement and African Resistance to Globalisation'. *Studies in Political Economy*. Vol. 77: 85- 104.

Quattri, M. & Fosu A.K. (2012) 'On the Impact of External Debt and Aid on Public Expenditure Allocation in Sub-Saharan Africa after the Launch of the HIPC Initiative'. *United Nations University*. Working Paper No 2012.42: 2

Ravallion, M. (2004). Pro-poor growth: A primer. World Bank: Washington D.C.

Rawlings, L. B., Rubio, G. M. (2005) 'Evaluating the Impact of Conditional Cash Transfer Programs'. *The World Bank Research Observer*. Vol 20, No.1: 29-55.

Republic of Kenya & International Monetary Fund. (2010) *Poverty Reduction Strategy*. Joint Staff Advisory Note. Washington D.C.

Rist, G. (2002) *The history of development: From Western origins to global faith.* Zed books: London.

Rist, G. (2007) Development as a buzzword, *Development in Practice*. 17 (4/5).

Robinson, W. I. (2004) A Theory of Global Capitalism: Production, Class and State in a Transnational World. United States: John Hopkins University Press.

Robinson, W. I. (2012). Global capitalism theory and the emergence of transnational elites. *Critical Sociology*, *38*(3), 349-363.

Rodrik, D. (2001). The global governance of trade: as if development really mattered. Accessed Online 24 June 2014:

http://138.110.28.9/courses/epaus/econ213/rodrikgovernance.PDF

Rodrik, D. (2006). Goodbye Washington consensus, hello Washington confusion? A review of the World Bank's economic growth in the 1990s: learning from a decade of reform. *Journal of Economic literature*, *44*(4), 973-987.

Rückert, A. (2006). Towards an inclusive-neoliberal regime of development: From the Washington to the post-Washington consensus. *TRAVAIL*, *capital et société*, *39*(1), 34-67.

Rückert, A. (2007) 'Producing Neo-liberal Hegemony? A Neo-Gramsican Analysis of the Poverty Reduction Strategy Paper (PRSP) in Nicaragua'. *Studies in Political Economy*. Vol. 79.

Rückert, A. (2010). The forgotten dimension of social reproduction: the World Bank and the poverty reduction strategy paradigm. *Review of International Political Economy*, 17(5), 816-839.

Ruiters, G. (2007). Contradictions in municipal services in contemporary South Africa: Disciplinary commodification and self-disconnections. *Critical Social Policy*, 27(4), 487-508.

Rweyemamu, J. F. (1980). *Industrialization and income distribution in Africa*. Food and Agricultural Organisation of the United States.

Accessed Online 29 April:

http://agris.fao.org/agris-search/search.do?recordID=US201300715776

Sahn, D. E. (1994). Adjusting to policy failure in African economies. Cornell University Press.

Salter, M. B. (2006). The global visa regime and the political technologies of the international self: borders, bodies, biopolitics. *Alternatives: Global, Local, Political*, 31(2), 167-189.

Saul, J.S., Leys, C. (1999). 'Sub-Saharan Africa in Global Capitalism'. *Monthly Review*. Vol. 51, No. 3: 13–30.

Schubert, B., & Slater, R. (2006). Social Cash Transfers in Low-Income African Countries: Conditional or Unconditional? Development Policy Review, 24(5), 571-578.

Seidman, A. (1974). The distorted growth of import-substitution industry: the Zambian case. *The Journal of Modern African Studies*, 12(04), 601-631.

Sen, A. (1981). Ingredients of famine analysis: availability and entitlements. *The quarterly journal of economics*, 433-464.

Sen, A. (1990). Development as capability expansion. Oxford University Press.

Sen, A. (1995). Well Being, Agency, and Freedom. Journal of Philosophy. 82(4).

Sen, A. (1999). Development as freedom. Oxford University Press.

Seshamani, V. (2002). The PRSP process in Zambia. In 2nd meeting of the African Learning Group on Poverty Reduction Strategy Papers (PRSP-LG), Brussels.

Sheppard, E., & Leitner, H. (2010). *Quo vadis* neoliberalism? The remaking of global capitalist governance after the Washington Consensus. *Geoforum*, 41(2), 185-194.

Shiva, V. (1988) Staying Alive: Women, Ecology and Development. London: Zed Books.

Shivji, I. G. (2008). Accumulation in an African periphery: a theoretical framework. African Books Collective.

Simon, D. (1989). Colonial cities, postcolonial Africa and the world economy: a reinterpretation. *International Journal of Urban and Regional Research*, 13(1), 68-91.

Stewart, F., & Wang, M. (2004). 11 Do PRSPs empower poor countries and disempower the World Bank, or is it the other way round? *Globalization and the Nation State: The Impact of the IMF and the World Bank*, 290.

Stiglitz, J. (1999) The World Bank at the Millennium. *The Economic Journal*. Vol. 109: 577-97.

Stiglitz, J. E. (2002, September). Development policies in a world of globalization. In *New International Trends for Economic Development Seminar*.

Sumner, A. (2006). In Search of the Post-Washington (Dis) consensus: the 'missing' content of PRSPS. *Third World Quarterly*, 27(8), 1401-1412.

Tamas, P. A. (2007). Spoken moments of a pernicious discourse? Querying Foucauldian critics' representations of development professionals. *Third World Quarterly*, 28(5), 901-916.

Taylor, L. (1988). Varieties of stabilization experience: towards sensible macroeconomics in the Third World. Oxford: Clarendon Press.

Taylor, M. (2005) 'Opening the World Bank: International Organisations and the Contradictions of Global Capitalism'. *Historical Materialism*. Vol. 13, No. 1: 153-170.

Taylor, I., Nel, P. (2002). 'New Africa', globalisation and the confines of elite reformism: 'Getting the rhetoric right', getting the strategy wrong. *Third World Quarterly*, 23(1), 163-180.

Tickell, A., & Peck, J. (2003). Making global rules: Globalisation or neoliberalisation. *Remaking the global economy: Economic-geographical perspectives*, 163-182.

Tiffen, M. (2003). Transition in sub-Saharan Africa: agriculture, urbanization and income growth. *World Development*, *31*(8), 1343-1366.

Tiffen, P., MacDonald, J., Maamah, H., & Osei-Opare, F. (2004). From tree-minders to global players: Cocoa farmers in Ghana. *Chains of Fortune Linking Women Producers and Workers with Global Markets. London. Commonwealth Secretariat*, 11-44.

Van de Walle, N. (2009). The institutional origins of inequality in Sub-Saharan Africa. *Annual Review of Political Science*, 12, 307-327.

Wallerstein, I. (1974). The rise and future demise of the world capitalist system: concepts for comparative analysis. *Comparative studies in society and history*, *16*(04), 387-415.

Wallerstein, I., & Martin, W. G. (1979). Peripheralization of Southern Africa, II: Changes in household structure and labor-force formation. *Review (Fernand Braudel Center)*, 193.

Weiss, B. (Ed.). (2004). Producing African futures: ritual and reproduction in a neoliberal age (Vol. 26). Brill.

White, G. (1994). Civil society, democratization and development (I): Clearing the analytical ground. *Democratization*, I(2), 375-390.

Wilkinson, P., & Webster, D. (1982). Living in the interstices of capitalism: Towards a reformulation of the 'informal sector' concept. *Social Dynamics*, 8(2), 1-10.

Williams, D. (2010) Making a liberal state: 'good governance' in Ghana. *Review of African Political Economy*. 37(126), 403-419.

Williams, D., & Young, T. (1994). Governance, the World Bank and liberal theory. *Political Studies*, 42(1), 84-100.

Williamson, J. G. (1997). Globalization and inequality, past and present. *The World Bank Research Observer*, 12(2), 117-135.

Williamson, John, ed. 1990. Latin American Adjustment: How Much Has It Happened? Washington, D.C.: Institute for International Economics.

Williamson, John. 2000. "What Should the World Bank Think about the Washington Consensus?" World Bank Research Observer, 15(2): 251–64.

Willis, K. (2011) *Theories and practices of development*. Routledge: London.

Wolfensohn, J. D. (1996) 'People and development in IMF, Summary Proceedings of the Fifty-First Annual Meeting of the Board of Governors.

Wolfensohn, J. D. (1998). The other crisis. World Bank. Washington D.C.

Woods, N. (2000). The challenge of good governance for the IMF and the World Bank themselves. *World Development*, 28(5), 823-841.

World Bank (1989) From Crisis to Sustainable Growth – sub-Saharan Africa. World Bank: Washington D. C.

World Bank (1990) World Development Report 1990: Poverty. World Bank: Washington D. C.

World Bank. (1992). Governance and development. World Bank: Washington D.C.

World Bank (1995) Workers in an Integrating World. World Bank. Washington D. C.

World Bank (1997). World development report 1997: the state in a changing world. World Bank: Washington D.C.

World Bank. (1999). World Development Report 1998/99: Knowledge for Development. World Bank: Washington D.C.

World Bank. (2001) World Development Report 2000/2001: Attacking Poverty. World Bank: Washington D.C.

World Bank (2002) Globalization, growth and poverty: building an inclusive world economy. World Bank: Washington D.C.

World Bank (2008) Agriculture for Development. World Development Report 2008. World Bank: Washington D.C.

World Bank (2012) World Development Indicators 2012. World Bank: Washington D.C.

World Bank Publications. (2013a). *The World Bank Annual Report 2013*. World Bank. Washington D. C.

World Bank (2013b) End extreme poverty and promote shared prosperity. *The World Bank Group Goals*. World Bank: Washington D.C.

World Bank (2013c) Sub-Saharan Africa GNI per capita Atlas Method. *World Bank Database*. Accessed 7 July: <a href="http://data.worldbank.org/region/sub-saharan-africa">http://data.worldbank.org/region/sub-saharan-africa</a>

World Bank (2013d). *Inclusion Matters: The Foundation for Shared Prosperity*. World Bank: Washington D.C.

World Bank Group. (2013e). Global Monitoring Report 2013: Rural-Urban Dynamics and the Millennium Development Goals. World Bank: Washington D.C.

World Bank (2014) Poverty Databank: Statistics for Sub-Saharan Africa. Accessed Online 14 September: http://data.worldbank.org/region/sub-saharan-africa

Wunsch, J. S. (2000 African Political Reform and International Assistance. Nagel, S. (eds) *Handbook of Global Political Policy*, 82, 129.

Zack-Williams, T., Love, R., Mohan, G., (2006). State, class & civil society in Africa. *Review of African Political Economy*, *33*(107), 501-509.