

# Thabo Mbeki's New Partnership for Africa's Development

## Breaking or Shining the Chains of Global Apartheid?

By Patrick Bond<sup>1</sup>

*(Launched in October 2001, the New Economic Partnership for Africa's Development (NEPAD, online at [www.nepad.org](http://www.nepad.org)) aims to establish a "new framework of interaction with the rest of the world, including the industrialized countries and multilateral organizations" as a means of putting Africa on a high-growth path. As a project of the African Union, it tries to articulate a regional development strategy. The NEPAD outlines a reciprocal set of commitments between Africa states, donor governments, and the private sector as a framework for managing Africa's integration into the world economy.*

*Analyst Patrick Bond critically evaluates the NEPAD's promise to promote growth and democracy in Africa, examining both the strategies for integration as well as its technocratic approach to democratic governance. He then outlines an alternative agenda to the NEPAD that is grounded in the struggles of African networks of social justice movements.*

*This is the latest contribution to our ongoing efforts to promote South-North Dialog. It does not necessarily reflect the views of the FPIF staff or the boards of either sponsoring organization. Comments are welcome. Please send to John Gershman <[john@irc-online.org](mailto:john@irc-online.org)>.)*

### Mbeki's Predicament

This essay considers Thabo Mbeki's analysis of globalization, his strategy and demands for global-scale and continental socioeconomic progress, and his preferred alliances. These topics arise because of his stated intention, in the October 2001 *New Partnership for Africa's Development* (NEPAD), to establish a "new framework of interaction with the rest of the world, including the industrialized countries and multilateral organizations"—one that is sufficiently "radical" to lift African GDP growth to 7% per annum.<sup>2</sup> That new framework has been emerging since mid-2000, when Mbeki began high-profile international discussions with G-8 leaders about African political economics. NEPAD will be highlighted and endorsed at the G-8 meeting in Alberta, Canada, in June 2002, at the July launch of the African Union in Pretoria, and at the Johannesburg World Summit on Sustainable Development—with a proposed global "New Deal" modeled on NEPAD—in late August. At such events, protesters who support the cause of global environmental, social, and economic justice will be told, in effect, "Don't worry, you can go home, because Thabo Mbeki is taking care of globalization's shortcomings."

In these settings, and as read through excerpts from speeches (considered below) and the NEPAD document,

Mbeki's approach is consistent with what has been termed *compradorism*. Mbeki and his main allies have already succumbed to the *class* (not necessarily personalistic) limitations of post-Independence African nationalism, namely acting in close collaboration with hostile transnational corporate and multilateral forces whose interests stand directly opposed to Mbeki's South African and African constituencies. This was the premonition, forty years ago, of Frantz Fanon in his chapter on "The Pitfalls of National Consciousness," in *The Wretched of the Earth*:

*The national middle class discovers its historic mission: that of intermediary. Seen through its eyes, its mission has nothing to do with transforming the nation; it consists, prosaically, of being the transmission line between the nation and a capitalism, rampant though camouflaged, which today puts on the mask of neocolonialism. The national bourgeoisie will be quite content with the role of the Western bourgeoisie's business agent, and it will play its part without any complexes in a most dignified manner. But this same lucrative role, this cheap-Jack's function, this meanness of outlook and this absence of all ambition symbolize the incapability of the middle class to fulfill its historic role of bourgeoisie. Here, the dynamic, pioneer aspect, the characteristics of the inventor and of the discoverer of new worlds which are found in all national bourgeoisies are lamentably*

## Foreign Policy In Focus Discussion Paper March 2002

Foreign Policy in Focus is a joint project of the Interhemispheric Resource Center (IRC) and the Institute for Policy Studies (IPS). The project depends on sales and subscription income, individual donors, and grants from foundations and churches. In Focus internships are available, and we invite article queries and comments.

### Essay Editor

John Gershman (IRC)

### Project Directors

Tom Barry (IRC)  
Martha Honey (IPS)

### Communications & Outreach

Kathy Spillman (IPS)  
kathy@ips-dc.org  
Erik Leaver (IPS)  
erik@fpif.org  
Siri Khalsa (IRC)  
communications@irc-online.org

### Project Administrative Assistant

Nancy Stockdale (IRC)

### Design/Production Manager

Tonya Cannariato (IRC)

### Editorial inquiries and information:

#### IRC Editor

Voice: (505) 388-0208

Fax: (505) 388-0619

Email: tom@irc-online.org

#### IPS Editor

Voice: (202) 234-9382/3 ext. 232

Fax: (202) 387-7915

Email: ipsps@igc.org

### Orders and subscription information:

Mail: PO Box 4506

Albuquerque, NM 87196-4506

Voice: (505) 842-8288

Fax: (505) 246-1601

Email: infocus@irc-online.org

Foreign Policy In Focus (FPF) aims to help forge a new global affairs agenda for the U.S. government and the U.S. public—an agenda that makes the U.S. a more responsible global leader and partner. The project responds to current foreign policy issues and crises with FPIF policy briefs, the *Progressive Response* ezine, and news briefings. In addition, FPIF publishes a series of special reports, a media guide of foreign policy analysts, and a biennial book on U.S. foreign policy.

FPIF's network of advocates, organizations, activists, and scholars functions as a "think tank without walls," reaching out to constituencies and foreign policy actors to ensure that U.S. foreign policy represents a more broadly conceived understanding of U.S. national interests.

<http://www.fpif.org/>

*absent. In the colonial countries, the spirit of indulgence is dominant at the core of the bourgeoisie; and this is because the national bourgeoisie identifies itself with the Western bourgeoisie, from whom it has learnt its lessons...*

*In its beginnings, the national bourgeoisie of the colonial country identifies itself with the decadence of the bourgeoisie of the West. We need not think that it is jumping ahead; it is in fact beginning at the end. It is already senile before it has come to know the petulance, the fearlessness, or the will to succeed of youth.<sup>3</sup>*

No doubt, such a charge would be rejected by Mbeki and his internationally oriented Cabinet colleagues: especially Finance Minister Trevor Manuel (co-chair with Michel Camdessus of the March 2002 UN Financing for Development conference in Monterrey, and chair of the IMF/World Bank board of governors in 1999-2000), and Trade Minister Alec Erwin (who brokered the November 2001 Doha deal by which the World Trade Organization avoided the kind of African walk-out which sabotaged the 1999 Seattle ministerial). They locate not only their own (national) ambition but also the continent's potential transformation not in lucrative personal accomplishments or Western-style bourgeois decadence but rather in the further integration of Africa into a world economy, they would also concede, that is itself in need of better regulation and fairer economic rules.

The project, therefore, is to reform interstate relations and the embryonic world-state system. As NEPAD explains,

*While globalization has increased the cost of Africa's ability to compete, we hold that the advantages of an effectively managed integration present the best prospects for future economic prosperity and poverty reduction... The case for the role of national authorities and private institutions in guiding the globalization agenda along a sustainable path and, therefore, one in which its benefits are more equally spread, remains strong...*

*Africa, impoverished by slavery, corruption and economic mismanagement is taking off in a difficult situation. However, if her enormous natural and human resources are properly harnessed and utilized, it could lead to equitable and sustainable growth of the continent as well as enhance its rapid integration into the world economy.<sup>4</sup>*

But to the contrary, the evidence thus far is that "equitable and sustainable growth" and Africa's "rapid integration into the world economy" are mutually exclusive. Although Africa's share of world trade declined during the 1980s-90s, the volume of exports increased, while the value of sub-Saharan exports was cut in half relative to the value of imports from the North.<sup>5</sup> Such marginalization occurred not because of lack of integration but because of *too much* of the wrong sort. For while integrating more rapidly into the world economy via "export-led growth," as demanded by Washington, Africa's ability to grow—either equitably and sustainably, or even inequitably—actually declined in comparison to the period prior to structural adjustment.

Thus, I argue below, the reform strategy will fail, although not because of Pretoria's lack of positionality and international credibility to carry out NEPAD and win endorsements from global elites. After all, since 1994, extremely talented politicians and officials from Pretoria have presided over the board of governors of the IMF and World Bank, the Non-Aligned Movement, the United Nations Conference on Trade and Development, the Commonwealth, the Organization of African Unity, the Southern African Development Community, the World Commission on Dams, and a host of other important international and continental bodies.

Instead, as argued in five subsequent sections, the failure is already emanating from the very project of global reformism itself, namely, Mbeki's underlying philosophy and incorrect analysis, ineffectual practical strategies, uncreative and inappropriate demands, and counterproductive alliances.

Rather than leading the world, Mbeki and his Pretoria colleagues will more likely tread a well-known, dusty path: a post-colonial, neoliberal cul-de-sac of predictable direction and duration. Moreover, notwithstanding mixed rhetorical signals, Mbeki and NEPAD for all effective purposes exclude (indeed, most often reject) alliances with international social, labor, and environmental movements who, in their struggles for socio-environmental and economic justice, *are the main agents of progressive global change.*

Thus South Africa's post-apartheid government leadership will not achieve its own limited objectives, much less the further reaching transformation required under current excruciating global conditions, and in the process will continue alienating the poor and working class base of Mbeki's African National Congress (ANC). In concluding that Thabo Mbeki *cannot* establish a new framework of interaction with the rest of the world, but can instead merely front for a slightly modified residual version of "global apartheid," more hopeful analyses, strategies, demands, and alliances necessarily arise as alternatives.

## Analyzing the "Globalization of Apartheid"

It is quite evident that economic globalization—by which is generally meant free flows of trade, finance, and direct investment under conditions of overwhelming transnational corporate power underpinned by a system of global embryonic-state institutions based mainly in Washington—*simply doesn't work for South Africa or Africa.* Although it aims at a very different conclusion, NEPAD confirms that Africans should exhibit both skepticism and an ominous tone when engaging global elites:

*The continued marginalization of Africa from the globalization process and the social exclusion of the vast majority of its peoples constitute a serious threat to global stability... In the absence of fair and just global*

*rules, globalization has increased the ability of the strong to advance their interests to the detriment of the weak, especially in the areas of trade, finance and technology... Africa's inability to harness the process of globalization is a result of structural impediments to growth and development in the form of resource outflows and unfavorable terms of trade... The increasing polarization of wealth and poverty is one of a number of processes that have accompanied globalization, and which threaten its sustainability... The closing years of the last century saw a major financial collapse in much of the developing world, which not only threatened the stability of the global financial system, but also the global economy as a whole.<sup>6</sup>*

**The nature of threats and power.** Several follow-up questions arise. How serious a "threat to global stability," really, is Africa's alleged "marginalization?" NEPAD dares not admit it, but weak governments have very few threats to make against the strong.<sup>7</sup> Perhaps the best example, to date, was the denial of consensus by the Organization of African Unity at the December 1999 World Trade Organization (WTO) summit in Seattle. In contrast, Trade Minister Erwin was notably peeved at the failure of Seattle to establish a new WTO round, and he only joined the OAU caucus statement at the last moment, grudgingly, and demanding edits. He then actively pursued a new round during 2000-01 in meetings with both intransigent and weak African trade ministers. And according to press reports which went unrefuted, he worked very hard to split the African delegation in November 2001 at Doha to prevent another Seattle debacle.<sup>8</sup> (NEPAD neglects to mention such trade conflicts or to draw lessons.)

The more profound hazards for Western prosperity—most likely associated with U.S. financial and trade-deficit crises, Japanese depression, geopolitical tensions, dire environmental damage, or debilitating oil shortages—go unexamined in NEPAD.

And in mentioning "major financial collapse in much of the developing world," NEPAD fails to more forcefully hint that there will be additional crises like those suffered by East Asia, Russia, Latin America, and South Africa during 1997-99—when currency values fell by a third in most cases and repayment of foreign debt became onerous. The 2000-01 Turkish and Argentine meltdowns suggest that the problem was not limited to "the closing years of the last century" and might be far more persistent if globalization continues its current trajectory. In Argentina's case, as well as Russia's in 1998, the only feasible answer was to default on tens of billions of dollars worth of unrepayable foreign debt coming due. Here we have the kind of "threat" that might make sense for NEPAD to foment.

However, to do so would in turn require two other corollaries: collective repudiation of African and third world debt so as to again "threaten the stability of the global financial system" and thereby gain leverage for genuine debt-cancellation negotiations; and prohibition on the use of developing-country funds to be invested in the IMF/World Bank (e.g., South Africa's 1% share) to bale out Western investors, as ordinarily transpires in the case of a third world financial crisis. Tellingly, NEPAD does not mention that although poverty increased dramatically in the wake of the 1997-99 emerging markets crisis, foreign investors (especially New York and London financiers) generally recovered their funds, and new U.S. investors in debt-ravaged Asian firms were able to pick up assets at fire-sale prices.

In the same spirit, there are other questions that bear asking. If "fair and just global rules" are impossible to establish, as they appear to be under prevailing power relations and rising U.S. belligerence, then is it not time to question the imperatives of globalization? Moreover, if the rules were not fair and just—e.g., in the Uruguay Round of the General Agreement on Tariffs

and Trade (1993) and subsequent trade agreements, and in relation to international flows of financial capital, including debt repayments under Washington's Highly Indebted Poor Countries (HIPC) initiative—then why did South Africa's post-apartheid rulers join GATT in 1994, sign on to various subsequent free-trade agreements with the European Union and U.S. in 1998-2000, lift the country's main defense against financial capital (the financial rand) in March 1995, and repeatedly promote HIPC? Indeed, the systematic unfairness applied to Africa also applies to South Africa, Mbeki has learned since 1994.

**Homegrown lessons.** South Africa exists within an extremely unfavorable balance of global forces; to point this out had, by the turn of the 21st century, become pedestrian. As one trivial illustration, in July 2000, just after Germany had won the 2006 soccer World Cup hosting role by one vote, Mbeki bitterly remarked to his party's National General Council: "As the ANC, we therefore understand very well what is meant by what one writer has described as the globalization of apartheid."<sup>9</sup>

It is with such phraseology that Mbeki accomplishes a dual elision: on the one hand a displacement of the South's problems from the (untouchable) economic to the moral-political terrain, which in turn evokes calls for reform (not dismantling) of existing economic systems and institutions; but on the other, as noted above, a relentless campaign to persuade his constituents that "There Is No Alternative" to globalization. For here, with Mbeki addressing the ANC National General Council, we locate a striking difference in his rhetoric regarding racial apartheid—which the ANC always insisted should be "abolished" not reformed—and global apartheid:

*[T]here is nobody in the world who formed a secret committee to conspire to impose globalization on an unsuspecting humanity. The process of globalization is an objective outcome of the development of the produc-*

*tive forces that create wealth, including their continuous improvement and expansion through the impact on them of advances in science, technology and engineering.<sup>10</sup>*

**Technological determinism.** Thus even though, *symptomatically* perhaps, power relations are skewed, the driving force of globalization boils down, in Mbeki's neutral story, to little more than technological determinism. According to NEPAD: "The current economic revolution has, in part, been made possible by advances in information and communications technology (ICT)... We readily admit that globalization is a product of scientific and technological advances, many of which have been market-driven."<sup>11</sup>

The technology-centric "admission" is fundamentally apolitical and disguises the reality of dramatic changes in class relations, especially the resurgent power of U.S. and EU capital in relation to working classes there and across the world (as reflected in stronger state-corporate "partnerships" and the decline of the social wage during the Reagan, Thatcher, and Kohl administrations). Ironically, in contrast, a far more insightful explanation of globalization came from the ruling party of South Africa in October 1998, at a time when it needed to engage in left-wing rhetoric so as to pull its political alliance (with trade unions and communists) together in preparation for a forthcoming national election:

*The present crisis is, in fact, a global capitalist crisis, rooted in a classical crisis of overaccumulation and declining profitability. Declining profitability has been a general feature of the most developed economies over the last 25 years. It is precisely declining profitability in the most advanced economies that has spurred the last quarter of a century of intensified globalization. These trends have resulted in the greatly increased dominance (and exponential growth in the sheer quantity) of speculative finance capital, ranging uncontrolled over the globe in pursuit of higher returns.<sup>12</sup>*

If this assessment is valid, then in addition to technological change—which *facilitated* but did not cause or catalyze globalization—the more fundamental factors would include:

- profound changes in the incentive structure of investments, especially the decline in manufacturing profits during the late 1960s and, consequently, the geographical search for new markets and cheaper inputs and a switch by many major firms of productive reinvestment into financial assets;
- institutional factors associated with financial sector deregulation, concentration, and centralization, which permitted banks and other financiers to escape national boundaries and search out far-flung borrowers;
- the decaying power of nation-states and the increased power of the Bretton Woods institutions and trade agencies; and
- shortened investor time horizons.

All of these factors can, and should be, reversed. None are inevitable. Tellingly, none are even mentioned in NEPAD. The analysis, thus, is wanting—and so too are the mildly reformist strategies that Mbeki subsequently endorses.

## Drawing Out the Strategic Implications

NEPAD's public reading of globalization is blinkered and unrealistic, and so too are Mbeki's plans for reform. Here, South Africa's own experience is instructive, both in relation to lessons learned and actions taken to combat the excesses of global apartheid.

**Decline, unemployment, and polarization economics.** For post-apartheid South Africa, the mood of liberation shifted quickly to despair during three periods of powerful international financial discipline, currency crashes, and capital flight in early 1996, mid-1998, and 2000-01. The prime culprits in making South Africa so vulnera-

ble were, firstly, the government's March 1995 decision, under intense pressure from local and international financiers, to discard the "financial rand" dual-rate exchange control mechanism, and secondly, the permissions granted from 1999-2001 to allow the largest South African firms to relocate (or delist entirely) their financial headquarters from Johannesburg to London.<sup>13</sup>

As the key decisionmaker even under Nelson Mandela's presidency, Mbeki authorized both neoliberal strategies. The initial effect of financial liberalization was to attract enormous speculative financial inflows in 1995, which in turn fled rapidly as conditions changed and the investor herd turned. All efforts to reverse flows failed in 1996, including the announcement of partial privatization of the telephone company Telkom and the adoption—without consultation and at the risk of ongoing, intensive political turmoil amongst Mbeki's ANC Alliance partners—of the misnamed *Growth, Employment and Redistribution* (GEAR) program. All of that program's targets failed from year one, with the exception of extremely low annual budget deficits and inflation rates, by recent historical standards. Although widely acclaimed by South African capital, *Gear* did not change capitalist minds, and net disinvestment continued. The permission to grant the largest firms offshore status ensures South Africa's permanent decline; dividends and profit repatriation were the main reason for the 50% crash of the currency during 2000-01.

Even aside from damage done by both major financial liberalizations, South Africa's allegedly "sound economic fundamentals" had deteriorated markedly during the late 1990s. Growing foreign imports amplified local deindustrialization and job loss, while trade with Africa became extremely biased, contributing to geopolitical tensions and economic refugees from neighboring lands (and resulting world-class xenophobia by South African workers). Notwithstanding the battered

currency, the consequent rapid rise in exports did not trickle through the rest of the economy. There was, moreover, a net outflow of international direct investment from South Africa during the first five years of democracy, while the uneven dribs and drabs of incoming foreign investment were largely of the merger/acquisition variety rather than for new fixed-investment ("greenfield") projects.

try's recorded history. Under these conditions, a host of diseases—cholera, diarrhea, TB, AIDS—flourished as never before, with five million South Africans HIV-positive by 2002.

Mbeki could have learned from such homegrown problems in considering how to implement an Africa-wide plan that also entailed reform of global economic institutions and processes. His ambitious lobbying

---

*Even aside from damage done by both major financial liberalizations, South Africa's allegedly "sound economic fundamentals" had deteriorated markedly during the late 1990s.*

---

Simultaneously, economic advice poured in from international financial centers, based upon persistent demands not only for macroeconomic policies conducive to South Africa's increased global vulnerability, but also for social policies and even political outcomes that weakened the state, the working class, the poor, and the environment. The country's per capita living standards sunk to levels last seen during the early 1960s, while the world's worst inequality intensified. By 1998, real interest rates had reached their highest-ever levels in modern South African history, and the Johannesburg Stock Exchange crashed further than ever before in its history. At the grassroots level, other manifestations of neoliberalism during the late 1990s included unprecedented municipal bankruptcies (which forced cuts in water and electricity to the poorest citizens and exacerbated apartheid geographical segregation), the failure of the highest-profile microcredit schemes and most small banks, and, in the wake of a million jobs lost under ANC rule, the rise of the unemployment rate to 45%, higher than at any other time in the coun-

schedule of world leaders during 2000-01 suggests that he had all the access he required. However, what he said and wrote during this period confirms that instead of identifying how to uproot the causes of worsening global apartheid, Mbeki preferred to work on the symptoms.

**Mbeki's self-mandate.** The world was becoming an increasingly brutal place when Mbeki assumed the South African presidency in May 1999, as exemplified to by rising levels of mass-popular protest, both at meetings of the global elites and in numerous Southern settings, from Argentina to Zimbabwe, where neoliberalism was generating intense pain.<sup>14</sup> In 1999, the main Northern protests occurred in London (June), at the G-8 Cologne meeting (July), and at the WTO summit in Seattle (1999). In 2000, demonstrations against corporate globalization and the Bretton Woods institutions were held in Davos (January), Washington (April), Windsor (July), Okinawa (July), Melbourne (September), Prague (October), and Nice (November). During 2001, the

main protest sites were Gothenburg (March), Quebec City (April), London (May), Genoa (July), and Brussels (December). Momentum picked up in 2002 when protests targeted the World Economic Forum in New York (February) and the EU leadership meeting in Barcelona (March).

South Africa, too, witnessed mass protests against neoliberalism: by the

*we could make to the struggle to end apartheid globally.*<sup>15</sup>

Mbeki had earlier embarked upon a late 1990s' "African Renaissance" branding exercise, which he endowed with poignant poetics but not much else. The contentless form was somewhat remedied in the secretive *Millennium Africa Recovery Plan*, whose powerpoint skeleton was unveiled to select elites in 2000, during Mbeki's meetings

on CNN, "Shut up!" to angry mourners whose family members had been amongst at least 2000 people killed by a Nigerian military arms depot explosion in a residential neighborhood.)

To his credit, though, the erratic Obasanjo had led a surprise revolt against Mbeki's capitulation to Northern pressure at the World Conference Against Racism in September 2001, when he helped generate a split between EU and African countries over reparations due the continent for slavery and colonialism. Tellingly, even loose talk of reparations is purged from NEPAD.

But that incident aside, 2001 was a successful year for selling NEPAD. Another pro-Western ruler with a deplorable recent human rights record, Tanzania's Benjamin Mkapa, joined the New Africa leadership group in January at the World Economic Forum in Davos, Switzerland. There, Mbeki gave the world's leading capitalists and state elites a briefing, which was very poorly attended. A few days later, an effort was made in Mali to sell West Africans on the plan, alongside Wolfensohn and Koehler. The July 2001 meeting of the African Union in Lusaka gave Mbeki the opportunity for a continent-wide leadership endorsement, once his plan was merged with an infrastructure-heavy initiative—the "Omega Plan"—offered by the neoliberal Senegalese president, Abdoulaye Wade, to become the *New African Initiative*. Next, the Genoa G-8 summit provided soothing encouragement, as 300,000 protesters gathered outside the conference accusing the world's main political leaders of running a destructive, elitist club.

Likewise, Mbeki's October visits to Japan and Brussels confirmed his elite popularity, perhaps because there was no apparent demand for formal monetary commitments. The same month, enthusiastic endorsements of Mbeki were published in the *Financial Times* by lead representatives of Johannesburg capital (Anglo American/DeBeers) and Washington mul-

---

*NEPAD fits into the globalizers' modified neoliberal project, by which it is vigorously asserted, ever more incongruously, that integration into global markets solves poverty.*

---

Congress of South African Trade Unions (COSATU) in May 2000 and August 2001, at the World Conference Against Racism in September 2001, and in repeated local settings (against, for example, water/electricity cutoffs and evictions due to poverty) in Soweto, Chatsworth, Mpumalanga, Bredell, Tafelsig, and many other sites. Yet rather than responding by changing the local policies that were causing such grievances, Mbeki and his colleagues claimed a unique noblesse oblige, namely that Pretoria could help bridge the gap between the world's rich and poor. For example, explained Mbeki to his party's National General Council in July 2000, in the wake of defeating apartheid, the ANC—in particular—must dramatically expand its objectives:

*When we decided to address the critical question of the ANC as an agent of change, the central subject of this National General Council, we sought to examine ourselves as an agent of change to end the apartheid legacy in our own country. We also sought to examine the question of what contribution*

with Bill Clinton in May, the Okinawa G-8 meeting in July, the UN Millennium Summit in September, and a subsequent European Union gathering in Portugal. The skeleton was fleshed out in November 2000 with the assistance of several economists and was immediately ratified during a special South African visit by World Bank President James Wolfensohn "at an undisclosed location," due presumably to fears of the disruptive protests that had soured a Johannesburg trip by new IMF czar Horst Koehler a few months earlier.

By this stage, Mbeki managed to sign on as partners two additional rulers from the crucial North and West of the continent: Abdelaziz Bouteflika and Olusegun Obasanjo from Nigeria. Unfortunately, both continued to face mass protests and widespread civil/military/religious/ethnic bloodshed at home, diminishing their utility as model African leaders. (Obasanjo, for example, spent February 2002 coddling the Mugabe dictatorship in Zimbabwe, jailing his trade union leaders when they engaged in a national strike against him, and saying,

tilateral banks.<sup>16</sup> After another name change, NEPAD was publicly launched in Abuja, Nigeria, by several African heads of state on October 23, 2001. In February 2002, global elites celebrated NEPAD in sites ranging from the World Economic Forum meeting in New York City to the summit of self-described “progressive” national leaders (but including the neoliberal Tony Blair) who gathered in Stockholm to forge a global Third Way. All elite eyes were turning to the world’s “scar” (Blair’s description of Africa), hoping that NEPAD would serve as a large enough band-aid.

Optimism of the will and the intellect. “There are already signs of progress and hope,” NEPAD asserts. “Democratic regimes that are committed to the protection of human rights, people-centered development and market-oriented economies are on the increase.”<sup>17</sup> Set aside, for the moment, the 2001-02 elections stolen by ruling parties in Tanzania, Madagascar, Zambia, and Zimbabwe, thanks in part to the lethargy of all of Africa’s leaders, including Mbeki. The discursive strategy, here, is to uncritically posit the (untenable) neoliberal conflation of free markets and free societies—a presumption that typically came unstuck in Africa during the 1990s during the course of repeated IMF riots.

To this end, NEPAD’s core elements include:

- more privatization, especially of infrastructure—no matter its failure, especially in South Africa;
- more insertion of Africa into the world economy—in spite of the even more rapid decline in terms of trade since the late 1990s;
- more multiparty elections—typically, though, between variants of neoliberal parties, as in the U.S., which serve as a veil for the lack of thoroughgoing participatory democracy;
- grand visions of information and communications technology—hopelessly

unrealistic, considering the lack of simple reliable electricity across the continent; and

- a self-mandate for peacekeeping—which South Africa has subsequently assumed for its soldiers stationed in the Democratic Republic of the Congo and Burundi.

Most importantly, NEPAD fits into the globalizers’ modified neoliberal project, by which it is vigorously asserted, ever more incongruously, that integration into global markets solves poverty. To understand the damage associated with this ideological assumption, it is time to turn from Mbeki’s analysis and strategic process to the specific content of his vision.

## Making Demands

As head of the Non-Aligned Movement, Mbeki addressed the Group of 77’s April 2000 South Summit in Havana and argued for reforming global apartheid on at least five fronts:

- a) the alleviation of the debt burden carried by many of our countries, including its cancellation;
- b) an effective mechanism to ensure a substantial increase in capital flows into the developing economies, as this is a prerequisite for development;
- c) the reversal of the trend resulting in a sharp drop in official development assistance;
- d) the opening of the markets of the developed countries to our products, including agricultural products; and
- e) the transfer of technology.<sup>18</sup>

Although NEPAD only rarely ventures into detailed demands—which the document says are to be worked out later by technical teams—we can consider these one-by-one, using the crucial issue of HIV/AIDS treatment to exemplify the challenge of technology transfer.

**Debt debacle.** It is arguable that Mbeki’s approach to the first front, debt relief, has already done incalculable damage, mainly

by virtue of his failure to endorse the Jubilee movement’s campaign against “odious debt,” including apartheid debt. Numerous vitriolic debates between civil society and Pretoria have occurred on this issue since 1996 and do not bear repeating in full here. Suffice it to say, Jubilee critics argue, had Mbeki and his predecessor Nelson Mandela been truly serious about the debt issue, they would not have:

- agreed to repay the apartheid foreign debt to commercial banks when it was last rescheduled in October 1993;
- claimed, repeatedly, that there *is no* foreign debt owed by the South African government (by ignoring roughly US\$25 billion parastatal and private sector debt, for which the South African state inherited repayment and guarantor responsibilities);
- negated the possibility of demanding reparations for previous foreign credits to the apartheid regime; and
- endorsed, repeatedly, the Highly Indebted Poor Countries initiative of the G-8, IMF, and World Bank, which proved such a distraction from the cause of debt cancellation.<sup>19</sup>

By October 2001, this latter point was more widely recognized, so NEPAD contains the observation that HIPC “still leaves many countries within its scope with very high debt burdens... In addition, there are countries not included in the HIPC that also require debt relief to release resources for poverty reduction.” (Presumably Nigeria is the main country in mind, since post-apartheid South Africa has always aimed to avoid lowering its credit rating by questioning its own debt repayment.)

Yet rather than attempting to challenge HIPC forthrightly, the NEPAD strategy is to:

*support existing poverty reduction initiatives at the multilateral level, such as the Comprehensive Development Framework of the World Bank and the Poverty Reduction Strategy approach linked to the HIPC debt*

*relief initiative... Countries would engage with existing debt relief mechanisms—the HIPC and the Paris Club—before seeking recourse through the New Partnership for Africa’s Development.*<sup>20</sup>

Only later will NEPAD “establish a forum in which African countries may share experiences and mobilize for the improvement of debt relief strategies” with the aim of ending “the process of reform and qualification in the HIPC process.”<sup>21</sup> To be sure, the idea of sharing experiences and mobilizing to improve “debt relief strategies” is portentous. But HIPC is already widely derided—especially in the Jubilee South movement—as “a cruel hoax.”<sup>22</sup> Along with the IMF/World Bank Comprehensive Development Frameworks and the Poverty Reduction Strategy Programs, HIPC deals are fundamentally committed to maintaining existing power relations and the neoliberal economic philosophy, because they entail only very slight adjustments to debt loads and in return require lowest-income countries to further liberalize.

To illustrate, in the main Southern African pilot HIPC, Mozambique’s conditionality requirements included quintupling cost-recovery charges (user fees) at public health clinics, privatization of urban and rural water supply systems, and the simultaneous liberalization and privatization of its largest agroindustry, cashew nut processing, which destroyed the industry. President Chissano publicly complained about the low levels of debt cancellation and the pressure he was under to inappropriately liberalize the economy by the Bretton Woods institutions.

NEPAD takes the African debate on HIPC backwards. Its proposed course of action—namely, prioritizing HIPC and the Paris Club, where structural adjustment loans are negotiated—will initially cement African debt-peonage. When Africa is further weakened by further slides down the HIPC slope, as more wretched countries sign up, only then will experiences be

shared and the program’s neoliberal conditions (perhaps) be contested. At the very time that Argentina was forced to default, a much more profound questioning of the ethics of foreign debt repayment would have been welcome.

**Reversing capital flows.** Regarding the second issue, inflows of capital, there are two kinds worth considering: financial and foreign direct investment. It hardly needs arguing that “hot-money” speculative inflows to emerging markets such as South Africa do not by any stretch qualify as “a prerequisite for development.” Nor do the vast majority of foreign loans granted to third world governments over the past thirty years, including concessional (0.75% interest rate) loans through the World Bank’s International Development Association and African Development Bank. Those loans serve as the leverage for gaining neoliberal conditions from borrowers. Repayment of even concessional hard-currency loans is extremely expensive once a country’s currency collapses, as happens regularly to Africa. Yet NEPAD calls for more such loans in one of its mandates to signatories:

*Work with the African Development Bank and other development finance institutions on the continent to mobilize sustainable financing especially through multilateral processes, institutions and donor governments, with a view to securing grant and concessional finance to mitigate medium-term risks.*<sup>23</sup>

Financing is one of NEPAD’s Achilles heels, because existing institutions and processes are so destructive. The African Development Bank (AfDB), for example, is an example of a failed institution. The World Bank’s own internal assessments of African lending (e.g. the Wappenhans Report) are shocking, with a majority of projects considered failures. There is no logic to the AfDB and World Bank process of lending in hard currency for developmental goods and services—e.g., rural education—whose components are nearly

entirely based on locally sourced inputs (not requiring hard currency repayment). Many donor agencies, especially USAID, suffer from the same problem, of lending in extremely expensive hard currency—repayable with high effective interest rates as the value of African currencies falls—for projects with few foreign inputs. The hard currency is then utilized, in part, for import of luxury goods by African elites. If countries attempt to impose luxury goods import taxes (as did Zimbabwe in 1998), the International Monetary Fund and World Trade Organization force the countries to remove them.

A more appropriate self-mandate in relation to foreign financiers is readily available in the ANC’s 1994 *Reconstruction and Development Program* (RDP):

*[Southern African countries] were pressured into implementing [IMF and World Bank] programs with adverse effects on employment and standards of living... The RDP must use foreign debt financing only for those elements of the program that can potentially increase our capacity for earning foreign exchange. Relationships with international financial institutions such as the World Bank and International Monetary Fund must be conducted in such a way as to protect the integrity of domestic policy formulation and promote the interests of the South African population and the economy. Above all, we must pursue policies that enhance national self-sufficiency and enable us to reduce dependence on international financial institutions.*<sup>24</sup>

Regrettably, Mbeki and Trevor Manuel ignored this provision, amongst many other progressive RDP mandates.

Even if attracting further financial flows of the hot-money and multilateral types is a questionable objective, the second kind of potential capital inflow—plant, equipment, and machinery through foreign direct investment—is typically understood as an essential ingredient in any Washington-approved development strategy. But after having done all in his power to attract for-

eign direct investment (FDI), not even Mbeki has succeeded. Good governance and political stability are not the key factors, Africa has learned; otherwise oil-rich Angola and Nigeria would not be the continent's main beneficiaries of FDI inflows.

NEPAD's main solution to the foreign investment drought appears to be the promotion of a foreign stake via "Public-Private Partnerships" in privatized infrastructure: "Establish and nurture PPPs as well as grant concessions toward the construction, development and maintenance of ports, roads, railways and maritime transportation... With the assistance of sector-specialized agencies, put in place policy and legislative frameworks to encourage competition."<sup>25</sup>

The lack of justification for this initiative—aside from Africa's capital shortage—is extremely unsatisfying, given that most infrastructure is of a "natural monopoly" type, for which competition is unsuitable. Such natural monopolies include roads and railroads, telephone land lines (including optic-fiber), water and sewage reticulation systems, electricity transmission, ports, and the like. NEPAD does not and cannot make a real case for competition in these areas; there is, in contrast, an extremely strong case, based on "public-good" and "merit-good" features of infrastructure, for state control and *nonprofit* management. In particular, privatization of infrastructure usually prevents cross-subsidization to enhance affordability for poor consumers, as South Africa has learned from price increases, "cherry-picking" of poor customers, and massive service cutoffs, as privatization proceeds in telecommunications, water/sanitation, electricity, and roads/transport/rail/air.

The case against infrastructure privatization has been very strongly made in South Africa in recent years, because of the failure of a variety of privatized enterprises:

- telecommunications, where the cost of local phone calls skyrocketed as cross-subsidization from long-distance (espe-

cially international) calls was phased out, and where at least half a million phone accounts were closed due to unaffordability, leading to both a threat of regulatory intervention and a counter-threat (in March 2002) that the main privatizers would sell their stake;

- water and sanitation, where in 2001, unacceptable problems emerged in key pilot projects run by the world's biggest water companies (e.g., Nkonkobe municipality sued to cancel

Soweto than Sandton for more than average consumption, and where cutoffs of electricity to hundreds of thousands of low-income customers are occurring without reference to public-good issues such as environment, public health, or gender equity;

- in the area of transport, toll roads which local residents could not afford, and private kombi-taxi transport (dangerous due to profit pressures), an increasingly corporatized rail service (which shut down many unprofitable

---

*By the time NEPAD was launched, Mbeki's HIV/AIDS policies were routinely described as "genocidal" in the local and international press, and Mbeki seemed to amplify his extraordinary image as South Africa's "undertaker-in-chief" in December 2001 by authorizing the Constitutional Court appeal.*

---

its disadvantageous long-term contract with Suez due to overpricing and underservicing, including ongoing use of the 19th-century "bucket system" of sanitation; Dolphin Coast, where Sauer demanded—and won—a renegotiation of its contract in order to raise tariffs, because profits were insufficient; and Nelspruit, where Bewater was sharply criticized for failing to extend services and cutting off services to low-income residents);

- electricity, where the drive toward cost-reflective pricing ("corporatization," to be followed by privatization) led Eskom to charge higher rates in

but socially useful feeder routes), and air transport (the national airline's disastrous mismanagement and subsequent need for renationalization in November 2001).

The more important financing challenges for Africa are establishing scrupulous, publicly owned development finance institutions and tough financial-sector regulations, including effective exchange controls, that would allow for the circulation and reinvestment of the continent's existing financial resources, too many of which are frittered away in debt repayments, speculative projects, luxury real estate development, and capital flight via

African branches of foreign banks (typically headquartered in London and Paris) and by corrupt, *comprador* local banks. NEPAD offers little or nothing to help Africa become more self-reliant in financing using such strategies, which were the basis of, for example, Korea's success. One reason is that active state intermediation in financial markets remains out of favor in Washington.

**Aid fatigue.** Third, regarding foreign aid, Mbeki calls for "more and better managed aid so as to deal with the basic needs that will have to precede any form of development in certain areas."<sup>26</sup> One problem is that Mbeki did very little in practice to dissuade Clinton and other international leaders from the classically neoliberal trend

tic-sourced development funding (80% annual RDP-related budget "rollovers" were typical in the early years, but even during the late 1990s, inability to spend poverty relief funding became a national scandal), the record of South Africa's largest donor (the European Union) was also appalling. Thus in making the case for more aid internationally, Mbeki has not yet provided a convincing case that such aid won't exacerbate well-known problems of bureaucratic capture and nonsustainability.

**Trade rules.** Fourth, Mbeki wants to correct what he calls the "rules and regulations that make the world trading system unbalanced and biased against the very countries that need a fair trading system so that these

treatment by U.S. trade negotiator Charlene Barchefsky—have been addressed by other experts.<sup>29</sup>

Throughout, Erwin argued for less Northern protectionism for "dinosaur industries" like manufacturing and agriculture, but he has done so meekly: "In addressing the challenge of trade and development in UNCTAD IX, we were attempting to break with a conception of contestation by stressing partnership."<sup>30</sup> The effectiveness of "partnership" was made explicit in 1998-99, when U.S. Vice President Al Gore lobbied Erwin, Health Minister Nkosazana Dlamini-Zuma, and Mbeki himself to roll back the 1997 Medicines Act, which promoted the parallel import and generic production of anti-retroviral drugs essential in fighting HIV/AIDS. The transnational pharmaceutical corporations threatened a constitutional lawsuit against the act, which they actively pursued for a month in March 2001 before international protest forced them to withdraw. This life-and-death case of technology transfer—blocked by corporations whose billions of dollars in profits overrode access to drugs that would save millions of lives—is instructive about the nature of alliances.

---

*In South Africa, the effect of requiring a greater role for communities in administering full cost-recovery rural water schemes was to leave most of them broken due to lack of community affordability.*

---

known as "trade, not aid" (the 1990s value of North-South aid fell by a third).<sup>27</sup>

But what lessons does South Africa itself have to offer? Were foreign donors encouraged, under post-apartheid rule, to turn aid pledges into real programs; sustainably provide for basic needs; promote civil society; and support good aid-management (e.g., monitoring and evaluation, and regular collective consultations with government)? There is a strong case that the Mandela and Mbeki governments were disastrous models in all of these respects.

As one example, donor pledges of nearly \$5 billion were made to Pretoria between 1994 and 1999. But just as government failed to disburse much of its own domes-

countries, which represent the majority of humanity, benefit from international rules of trade."<sup>28</sup> Even if the South African economy is on the margins of world trade, Pretoria won a high profile in global circuits for at least three institutional reasons: Alec Erwin's 1996-2000 presidency of the UN Conference on Trade and Development; his controversial role in the 1999 WTO summit in Seattle, and his subsequent attempt to bring together both a new middle-income bloc and African countries to restart WTO negotiations. The latter two functions—particularly Erwin's distaste for the Seattle social-movement protesters and his near-refusal to join the Africa bloc of trade ministers protesting abominable

**Blocking access to drugs.** Fifth and finally, what do we learn about the struggle for technology transfer in the case of AIDS drugs? It was not Erwin's philosophy of a fair and just trade partnership that persuaded Vice President Gore to reverse his position. A vibrant "Treatment Action Campaign" of grassroots militants emerged in South Africa during 1999, embarked on protests at U.S. consulates in Johannesburg and Cape Town, and began networking with the Philadelphia, New York, and Paris chapters of the advocacy group ACT UP (AIDS Coalition to Unleash Power). Gore was confronted repeatedly and aggressively by protests in Tennessee, New Hampshire, California, and Pennsylvania at the very outset of his presidential election campaign

in mid-1999. Numerous newspapers carried front-page stories on Gore's quandary.

Within weeks, the vice president's own cost-benefit analysis began to reveal the danger of siding with the pharmaceutical firms, whose millions in campaign contributions would not offset sustained damage to the politician's image. In a September 1999 meeting with Mbeki in New York, Gore conceded the validity of the South African Medicines Act. With Thailand, Brazil, and India also taking strong non-partnership positions by establishing generic production facilities, and with tens of thousands of protesters in the streets, President Clinton agreed at the Seattle WTO summit not to push for harder-line patent protection for U.S. pharmaceutical companies. (The firms reacted with promises of cheaper, though not free, drugs, which in turn were spurned by activists as too little, too late. When faced with the prospect of local production, drug companies changed the subject by announcing offers of free medicine, which subsequently did not materialize.)

The South African government then failed to take advantage of the space won by the activists, as Mbeki searched for excuses—such as a controversial investigation into whether HIV is indeed associated with AIDS, the alleged toxicity of antiretrovirals, and (artificial) fiscal constraints (which did not prevent Mbeki from authorizing tens of billions of rands worth of arms expenditures)—to *not* implement the parallel importation or generic production options. By the time NEPAD was launched, Mbeki's HIV/AIDS policies were routinely described as “genocidal” in the local and international press, and Mbeki seemed to amplify his extraordinary image as South Africa's “undertaker-in-chief” in December 2001 by authorizing the Constitutional Court appeal of a hostile court judgment that required the state to begin widescale antiretroviral mother-to-child-transmission treatment. Nelson Mandela had demanded the same of Mbeki, very publicly at the July

2000 Durban international AIDS conference, but notwithstanding NEPAD's brief mentions of a “high priority given to tackling HIV/AIDS” and leadership in a “campaign for increased international financial support for the struggle against HIV/AIDS,”<sup>31</sup> Mbeki continued to make arguments and policy that classified him as an AIDS-dissident.

But even if in retrospect it was pyrrhic, the joint struggle by the South African government and the activists over Gore and the pharmaceutical corporations was instructive. In short, the David-vs.-Goliath battle against pharmaceutical companies—and the White House—was won. Yet Mbeki quickly grabbed defeat from the jaws of victory, and the broader war against AIDS took a quick turn for the worse.

In sum, progress on any of the five key issues that Mbeki listed in Havana depends on whom he is in partnership with. At one point in his May 2000 U.S. trip, speaking to an African-American congregation at the venerable Ebenezer Baptist Church in Atlanta, Mbeki invoked the forces of social progress:

*In a world where no country can insulate itself from other parts of the same world, our success is highly dependent on your concrete support. This global solidarity between ourselves was part of the vocabulary of the civil rights movement, and some of us will remember that Dr King was one of the first world leaders to call for a boycott of South Africa as part of the struggle for democracy. This kind of solidarity amongst those who work for the same objectives, has been the hallmark of our own movement and struggle for democracy. We are therefore saying that we should continue with this struggle of working together and striving for social and economic justice for the poor, for countries of the South, and come with practical ways of assisting Africa to pull herself out of the quagmire of poverty. I can assure you that you will find many amongst Africans who are ready to work in honest partnership with yourselves.*<sup>32</sup>

But with whom in the world does Thabo Mbeki really have an honest partnership, and with whom is he building genuine solidarity? Notwithstanding the eloquence of his Atlanta speech, the answers are not obvious.

To illustrate, under Mbeki's influence, post-apartheid foreign policy examples of areas where solidarity was not extended to democrats include: the Indonesian and East Timorese people suffering under Suharto (recipient of a 1997 Cape of Good Hope medal); Nigerian opposition activists who in 1995 were denied a visa to meet in Johannesburg; the Burmese people (given the junta-controlled “Myanmar's” diplomatic relations with Pretoria); the Polisario Liberation Front, struggling for self-determination in the Western Sahara (until Mbeki ended his allegiance with Morocco in 2002); and victims of murderous central African regimes which were SA arms recipients. The National Conventional Arms Control Committee reported that from 1996-98 alone, undemocratic regimes like Colombia, Algeria, and Peru purchased more than 300 million rand worth of arms from South Africa.<sup>33</sup>

Is there scope for an honest partnership between Mbeki and the world's progressive social movements?

## **Toward—Or Against— “Global Solidarity”?**

One problem immediately arises and must be openly confronted. In controversies surrounding Africa's relation to imperialism, as witnessed in numerous campaigns by South African labor and social justice movements, Mbeki and the ANC repeatedly unveiled repressive tendencies: against millions of antiprivatization strikers in the trade union movements, against thousands of community residents in Soweto suffering from unaffordable services because of privatization pressure, and against leading opponents of Mbeki's AIDS policies, who during 2000 were reportedly labeled by Mbeki as “infiltrators” of the trade union movement

and agents of pharmaceutical corporations and the CIA.

Thus on the eve of the 29-30 August 2001 antiprivatization demonstrations, as insults flew between leaders of the ANC and the SACP/COSATU, The front page of *Business Day* carried the following report:

*Cabinet ministers were subsequently dispatched to influential radio and television programs, first to “clarify” government positions, but also to “show COSATU members they are being urged to commit suicide,” according to an official involved in the spin-doctoring offensive. Also part of the strategy—championed by Trade and Industry Minister Alec Erwin, Transport Minister Dullah Omar and Public Enterprises Minister Jeff Radebe—was to seek to caution COSATU members against the possible hijacking of their strike by outside elements, such as those protesting at World Bank and International Monetary Fund meetings.*<sup>34</sup>

Bizarre as it sounded at first blush, the same newspaper demonstrated the valid underlying rationale for Pretoria’s phobia the following day:

*SA needs to cut import tariffs aggressively, privatize faster and more extensively, promote small business effectively and change labor laws to achieve far faster growth and job creation. This is according to a World Bank report that will soon be released publicly and has been circulating in government.*<sup>35</sup>

**Empowerment?** Under such circumstances, what kind of role did NEPAD envisage for civil society, aside from “asking the African peoples to take up the challenge of mobilizing in support of the implementation of this initiative by setting up, at all levels, structures for organization, mobilization and action”?<sup>36</sup> NEPAD contains no concrete actions to be taken by the African peoples, no offer of organizational resources, and no civil-society implementation plan. The document itself was available to African civil society only through Internet websites (very obscurely). There

were no leadership-catalyzed discussions of NEPAD within civil-society organizations in South Africa itself—which is perhaps explained by the fact that Mbeki’s Alliance partners in the trade unions and the SA Communist Party firmly opposed central neoliberal NEPAD economic and infrastructure provisions via mass protests and job stayaways by workers, simultaneous to Mbeki’s attempt to sell these in international and a few continental venues.

Instead, the spirit of grassroots partnerships envisaged is captured in the vague mandate to “Promote community and user involvement in infrastructure construction, maintenance and management, especially in poor urban and rural areas, in collaboration with the *New Partnership for Africa’s Development* Governance Initiatives.”<sup>37</sup> This is, in principle, a useful strategy. But in practice, it has had the effect of placing financial and technical obligations that are the responsibility of the state, in most civilized societies, onto the shoulders of Africa’s most impoverished communities.

In South Africa, for instance, the effect of requiring a greater role for communities in administering full cost-recovery rural water schemes was to leave most of them broken due to lack of community affordability. More than 43,000 children die of diarrhea each year in South Africa as a function, mainly, of inadequate water and sanitation, which in turn is mainly an affordability problem. Similarly, the disconnection of (existing free) water supplies due to unaffordability occurred at the epicenter of the 2000-01 cholera epidemic, which affected more than 200,000 low-income people, killing more than 200.

The philosophy of user responsibility for maintenance and management—and expenses thereof—already prevails in many African settings, notwithstanding the extreme levels of poverty, mainly because of policymakers’ and program managers’ neoliberal ideological commitment to full cost-recovery. As the World Bank recently expressed in its mandate to governments

that aim to supply rural African villages in desperate need of water and sanitation supplies: “Promote increased capital cost recovery from users. An upfront cash contribution based on their willingness-to-pay is required from users to demonstrate demand and develop community capacity to administer funds and tariffs. Ensure 100% recovery of operation and maintenance costs.”<sup>38</sup>

A subsequent World Bank initiative—the Kampala Statement on urban water in February 2001—was similarly naive (or disingenuous) about the politics of water privatization reform: “Labor can also be a powerful ally in explaining the benefits of the reform to the general public. It is essential therefore that the utility workers themselves understand and appreciate the need for the reform.” The Kampala Statement’s bottom line: “an increased role of the private sector in water/sanitation services delivery has been a dominant feature of the reform processes of African countries as it has been recognized as a viable alternative to public service delivery and financial autonomy.”<sup>39</sup> Finding an alternative to what the state ordinarily has a responsibility to provide the citizenry, is at the core of Washington’s—and NEPAD’s—notion of civil-society empowerment.

What is revealed by these demands of African societies—made by both Mbeki and his Washington partners—is not only the counterproductive and illusory establishment of alliances and partnerships with the forces promoting global apartheid but also the contradictory character of Mbeki’s rhetoric concerning international social change. Notwithstanding the practical hostility that he often shows when dealing with civil-society opposition to his neoliberal policies, Mbeki often makes rhetorical gestures to the enormously important role of social change activists. And, as in Mbeki’s own speeches, there is a high degree of empowerment rhetoric in NEPAD:

*The New Partnership for Africa’s Development seeks to build on and cele-*

*brate the achievements of the past, as well as reflect on the lessons learned through painful experience, so as to establish a partnership that is both credible and capable of implementation. In doing so, the challenge is for the peoples and governments of Africa to understand that development is a process of empowerment and self-reliance. Accordingly, Africans must not be wards of benevolent guardians; rather they must be the architects of their own sustained upliftment.*<sup>40</sup>

This is inspiring rhetoric. But NEPAD, in reality, shuns self-reliance and the self-upliftment of Africans. To illustrate, none of the social justice achievements that cut against the grain of then-prevailing features of globalization—especially mass civil society protests that threw off the yokes of slavery, colonialism, and apartheid—are specifically mentioned in NEPAD. And NEPAD asks readers to “reflect”—but only in a blinkered way, so as to avoid a more thoroughgoing analysis and set of policy options. Thus none of the anti-imperialist ideas of the most progressive architects and analysts of 20th century African political and socioeconomic liberation—e.g., Ake, Amin, Biko, Cabral, Fanon, First, Kadalie, Lumumba, Machel, Mamdani, Mkandawire, Nabudere, Nkrumah, Nyerere, Odinga, Onimode, Rodney, Sankara, Shivji—are considered worthy of reference, much less engagement and endorsement.<sup>41</sup>

Yet radical rhetoric still characterized some of Mbeki’s speeches during 2000-01, as if to substitute for the top-down, elite-centered, nonconsultative nature of NEPAD. For example, to one audience of social-democratic activists in mid-2000, Mbeki was resolute in his commitment to nurture challenges from the grassroots:

*All of us, but most certainly those of us who come from Africa, are very conscious of the importance that all tyrants attach to the demobilization of the masses of the people. At all times, these tyrants seek to incite, bribe or intimidate the people into a state of*

*quiescence and submissiveness. As the movement all of us present here represent, surely our task must be to encourage these masses, where they are oppressed, to rebellion, to assert the vision fundamental to all progressive movements that—the people shall govern.*<sup>42</sup>

**Voluntarism and activism.** Mbeki, in reality, discourages rebellion (notably in Zimbabwe, where he has repeatedly sided with the repressive Mugabe regime against the masses). Indeed, to understand how far the ANC government has gone to downgrade alliances with the political left, consider a 1996 ANC discussion document which concluded with these lines:

*The democratic movement must resist the illusion that a democratic South Africa can be insulated from the processes which characterize world development. It must resist the thinking that this gives South Africa a possibility to elaborate solutions which are in discord with the rest of the world, but which can be sustained by virtue of a voluntarist South African experiment of a special type, a world of anti-Apartheid campaigners, who, out of loyalty to us, would support and sustain such voluntarism.*<sup>43</sup>

The 1997 Medicines Act was, activists insist, precisely such a “voluntarist experiment.” It was, indeed, only sustained by virtue of appeal, by local activists, to “a world of anti-Apartheid campaigners” who, “out of loyalty,” militantly demonstrated in favor of the act.

This is where, finally, the argument comes to a head. So far, we have taken seriously the extent to which Mbeki says he *wants* to change the world, even if the analysis is wanting, the rhetoric often confuses listeners, the strategy is dubious, and the tactics are ineffective. Central to this problem, is whom Mbeki most comfortably allies with. The social forces represented in the AIDS-treatment example are emblematic of the challenge, for they evoke enormous potential for real solidarity, *for changing the balance of forces.*

This dilemma appears to be the case across Africa, notwithstanding optimistic NEPAD rhetoric:

*The present initiative is an expression of the commitment of Africa’s leaders to translate the deep popular will into action... The political leaders of the continent appeal to all the peoples of Africa, in all their diversity, to become aware of the seriousness of the situation and the need to mobilize themselves in order to put an end to further marginalization of the continent and ensure its development by bridging the gap with the developed countries.*<sup>44</sup>

Some readers will find the hypocrisy in this passage breathtaking. Africans falling further into poverty as a result of leadership *compradorism* and globalization may be less aware of the need to “become aware of the seriousness of the situation,” compared to those elite rulers who generally live in luxury, at great distance from the masses. And when Africans in progressive civil society organizations express “the need to mobilize themselves,” they are nearly invariably met with repression by ruling elites.

Moreover, NEPAD could—but tellingly doesn’t—document “the deep popular will” to build a new Africa. That ambition certainly does exist in various civil society initiatives, most of which stand in explicit opposition to NEPAD. Across the continent, varied grassroots organizations—community-based groups, HIV/AIDS support organizations, traditional and ethnic-based movements, progressive churches, women’s and youth clubs, environmental groups, and many others—have joined trade unionists and radical intellectuals in diverse struggles against neoliberalism, for democracy and humanity. Many of the strongest expressions of popular will exist in South Africa and involve Mbeki’s ANC Alliance partners who fundamentally reject the same policies of alleged “macroeconomic stability” (fiscal and monetary austerity) and privatization which NEPAD axiomatically promotes.

The same deep philosophical rejection of NEPAD and promotion of a genuine human rights culture exists across Africa. In the political sphere, this led to mass demonstrations against unfree, unfair elections in Tanzania, Madagascar, Zambia, and Zimbabwe, amongst other sites. In the economic sphere, trade unions regularly protest structural adjustment and are joined by diverse citizen movements. For example, Jubilee Africa branches motivate strongly for full debt repudiation, cancellation, and reparations across the continent, and they fundamentally reject Washington's debt relief strategies. African initiatives are also evident in the grassroots campaign for the return of Nigerian dictator Sani Abacha's billions in looted funds in Swiss and London banks. Early success helped to break open bank secrecy, following similar campaigns over fifteen years waged by citizen groups and governments in the Philippines and Haiti in relation to the Marcos and Duvalier hoards.

In addition, specific World Bank projects in Africa have come under attack by progressive local and international groups, including the Chad-Cameroon pipeline, the Lesotho Highlands Water Project, Namibia's Epupa Dam, and Uganda's Bujagali Dam as well as various World Bank attempts to commercialize national water management and privatize urban water/sanitation systems. Other growing campaigns that link African and international civil society organizations include the environmental debt that the industrial North owes the South and the campaign to ban "conflict-diamond" trade, which contributes to civil war in Sierra Leone, Liberia, and Angola.

Across Africa, such solidarity is being discussed in relation to concrete and potential linkages between social justice movements

of the North and South. An "African People's Consensus" campaign was catalyzed by Jubilee anti-debt, other church, labor, NGO, and community groups in Lusaka in May 1999 and then advanced at a major Dakar gathering in December 2000 that for the first time linked progressive grassroots and shopfloor activists from English-, French-, and Portuguese-speaking areas of Africa. And likewise, while Thabo Mbeki was gathering international elite support for NEPAD and only later checking in on African capitals, a "Southern African People's Solidarity Network" headquartered in Cape Town held regular workshops across the region to generate analysis, establish positions, and coordinate campaigns against neoliberalism and political repression.

Inevitably, NEPAD itself would be subject to criticism by progressives across Africa. According to a report on the main commission considering the issue at the Africa Social Forum meeting in Mali in January 2002: "Most participants in the group rejected NEPAD and suggested we should come up with alternatives. [It was] recommended [that we] reject the neoliberal framework in which NEPAD was drafted and discuss alternative models for development."<sup>45</sup> A fortnight later, at a New York meeting of the most active African NGOs concerned with international financial matters, "apprehension" was expressed over "the prominence given to the NEPAD... We oppose any attempt to use it to deepen Africa's external dependence and the exploitation of its resources."<sup>46</sup>

Generally, in contrast, the African networks of social justice movements push for what might be termed economic "deglobalization" by their nation-states (e.g., more exchange controls, protection of vital infant industries, debt repudiation) and for greater

regional cooperation and mobility of people across Africa's artificial colonial-era borders, with the aim of reorienting domestic political economies away from the financial and trade circuitry which has been so disempowering these past two decades.

Ultimately, a "rights-based" philosophy is emerging that stresses decommodification and de-stratification in the material sphere, women's rights, and social-environmental harmony. The largest deficits are in the spheres of democracy and basic needs, particularly in relation to rural women and particularly in areas whose production basis should be easy to expand—rural water/sanitation and small-scale irrigation systems, electricity, public works—without the need for debilitating import requirements. By stressing a for-profit orientation in the supply of infrastructure and services, NEPAD moves in the opposite direction from Africa's leading popular forces.

Mbeki is moving against the progressive movements in numerous ways. To summarize the analytical, strategic, tactical, and alliance building differences between Mbeki and African social movements, consider a bumper sticker slogan that translates demands often heard in the international social justice movements: "*Globalization of People, Not of Capital!*" It is that edict which says so much more about social progress than can Thabo Mbeki and in turn hints more profoundly about why his initiatives, including NEPAD, reflect Fanon's warning so disturbingly. In sum, if international capital and its various institutional foundations, including the Bretton Woods institutions and the WTO, represent the "chains" of global apartheid, it is evident in what we have seen above that Mbeki's project has been reduced to shining, not breaking those chains.

## Notes

- <sup>1</sup> The author (pbond@wn.apc.org) teaches at the University of the Witwatersrand (where he co-directs the Municipal Services Project—[www.queensu.ca/msp](http://www.queensu.ca/msp)), writes for ZNet Commentaries ([www.zmag.org](http://www.zmag.org)), and is an associate of the Alternative Information and Development Centre ([www.aidc.org.za](http://www.aidc.org.za)) in Cape Town/Johannesburg and the Center for Economic Justice in Washington/Albuquerque ([www.worldbankboycott.org](http://www.worldbankboycott.org)). His recent books include *Against Global Apartheid* (University of Cape Town Press, 2001); *Cities of Gold, Townships of Coal* (Africa World Press, 2000), and *Elite Transition* (Pluto Press and University of Natal Press). Further documentation of problems caused by globalization and neoliberalism are available in his forthcoming *Unsustainable South Africa: Environment, Development and Social Protest* (University of Natal Press and Africa World Press, 2002). In relation to Mbeki's uneven relationship with South Africa's northern neighbor, see Bond and Masimba Manyanya, *Zimbabwe's Plunge: Exhausted Nationalism, Neoliberalism and the Search for Social Justice* (University of Natal Press, Merlin Press, and Africa World Press, 2002).
- <sup>2</sup> *New Partnership for Africa's Development*, 23 October 2001, <http://www.NEPAD.org/>, pa.40, 70.
- <sup>3</sup> Fanon, F. (1963), *The Wretched of the Earth*, New York, Grove Press, pp.152-153.
- <sup>4</sup> NEPAD, pa.28, 40, 52.
- <sup>5</sup> Toussaint, E. (2001), "Debt in Sub-Saharan Africa on the Eve of the Third Millennium," Discussion paper, Committee for the Abolition of third world Debt, Brussels.
- <sup>6</sup> NEPAD, pa.2, 33, 34, 35, 36.
- <sup>7</sup> Fake threats such as counterproductive radical-Islamic terrorism (which strengthened not weakened the forces of reaction in the U.S.) are no substitute for the potential threat of a united Africa which acts in its self-interest.
- <sup>8</sup> *Mail and Guardian*, 9 November 2001.
- <sup>9</sup> Mbeki, T. (2000), "Keynote Address to the National General Council," Port Elizabeth, 12 July.
- <sup>10</sup> Mbeki, "Keynote Address."
- <sup>11</sup> NEPAD, pa.29, 39, 31.
- <sup>12</sup> ANC Alliance (1998), "The Global Economic Crisis and Its Implications for South Africa," ANC Alliance Discussion Document, Johannesburg, reprinted in *The African Communist*, Fourth Quarter 1998.
- <sup>13</sup> *Mail and Guardian*, 6 and 13 December 2001.
- <sup>14</sup> For details, see Bond, *Against Global Apartheid*, Chapters 8-12, and documentation by the World Development Movement: <http://www.wdm.org.uk/cambriefs/DEBT/unrest.htm>, and at *GreenLeft Weekly* newspaper.
- <sup>15</sup> Mbeki, "Keynote Address."
- <sup>16</sup> Mills, J. and J. Oppenheimer (2001), "Partnerships Only Way to Break Cycle of Poverty," *Financial Times*, 1 October; Gondwe, G. and C. Madavo (2001), "New Swipe at Fighting Poverty," *Financial Times*, 7 October. See also South African Institute of International Affairs (2001), *Breaking the Cycle* (video), Johannesburg.
- <sup>17</sup> NEPAD, pa.7.
- <sup>18</sup> Mbeki, T. (2000), "Address at the Opening of the South Summit," Havana, 12 April.
- <sup>19</sup> <http://www.aidc.org.za/>
- <sup>20</sup> NEPAD, pa.118, 149.
- <sup>21</sup> NEPAD, pa.150.
- <sup>22</sup> <http://www.jubileesouth.net/>
- <sup>23</sup> NEPAD, pa.106.
- <sup>24</sup> African National Congress (1994), *The Reconstruction and Development Programme*, Johannesburg, Umanyano Publications, s.1.4.17,6.5.16.
- <sup>25</sup> NEPAD, pa.115, 106.
- <sup>26</sup> Mbeki, "Address by President Thabo Mbeki to the Commonwealth Club, World Affairs Council and U.S./SA Business Council Conference," 24 May 2000.
- <sup>27</sup> *Financial Times*, 11 November 1998.
- <sup>28</sup> Mbeki, "Address to the Commonwealth Club, World Affairs Council and U.S./SA Business Council Conference."
- <sup>29</sup> See, e.g., Tandon, Y. (1999), "A Blip or a Turnaround?," *Journal on Social Change and Development*, 49, December; Keet, D. (2000), "South Africa's Role in the WTO," Alternative Information and Development Centre Occasional Paper, Cape Town.
- <sup>30</sup> Erwin, A. (2000), "Opening Address to the Tenth Session of UNCTAD," Bangkok, 12 February.
- <sup>31</sup> NEPAD, pa.49, 127.
- <sup>32</sup> Mbeki, T. (2000), "Address at the Ebenezer Baptist Church," Atlanta, 26 May.
- <sup>33</sup> Batchelor, P. (1999), "South Africa: An Irresponsible Arms Trader?," in *Global Dialogue*, 4, 2, p.17.
- <sup>34</sup> *Business Day*, 27 August 2001.
- <sup>35</sup> *Business Day*, 28 August 2001.
- <sup>36</sup> NEPAD, pa.56.
- <sup>37</sup> NEPAD, pa.106.
- <sup>38</sup> World Bank (2000), *Sourcebook on Community Driven Development in the Africa Region—Community Action Programs*, Washington, Appendix 2.
- <sup>39</sup> Water Utilities Partnership (2001), "Kampala Statement," World Bank, Washington, DC, 14 March.
- <sup>40</sup> NEPAD, pa.27.
- <sup>41</sup> We know from Mbeki's August 2000 Oliver Tambo lecture that he is well-acquainted with the ideas of radical Africans. His failure to invoke these in NEPAD is revealing.
- <sup>42</sup> Mbeki, T. (2000), "Vox Populi—Is it Real?: Speech at the IUSY Festival," Stockholm, 28 July.
- <sup>43</sup> ANC (1996), "The State and Social Transformation," Discussion document reprinted in *African Communist*, 4.
- <sup>44</sup> NEPAD, pa.53, 55.
- <sup>45</sup> Africa Social Forum (2002), *The Africa Social Forum Report*, Bamako, Mali, 9 January.
- <sup>46</sup> African Caucus (2002), "Statement by the African Caucus on the 4th PrepCom on Financing for Development," New York, 25 January. ([http://www.twotwatch.org/library/admin/uploadedfiles/Statement\\_by\\_the\\_African\\_Caucus.htm](http://www.twotwatch.org/library/admin/uploadedfiles/Statement_by_the_African_Caucus.htm))

**Subscribe:**

Subscribe for \$15 (10 issues) or \$30 (20 issues). Individual copies of *In Focus* are \$2.50, postpaid; bulk orders of *In Focus* are \$12.00 for 10 copies of the same issue, postpaid; orders for delivery outside the U.S. are double the listed prices. (Subscriptions do not include back issues. Contact the IRC for a list of available back issues.) Make checks payable to the Interhemispheric Resource Center. We also accept VISA and MasterCard.

**To subscribe to *Foreign Policy In Focus*, or to order back issues, contact the IRC:  
PO Box 4506 ♦ Albuquerque, NM 87196-4506 ♦ Phone: (505) 842-8288 ♦ Fax: (505) 246-1601**

---

**Name**

---

**Email Address**

---

**Street Address**

**City, State, Zip Code**

---

**VISA/MasterCard Number**

**Expiration Date**

---

**Signature**