

The State and the Crisis of Simple Commodity Production in Africa¹

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The dimensions of Africa's economic crisis are well known, but nevertheless should perhaps be sketched before any interpretation of it is offered. Sub-Saharan Africa has over 400 mn people, many of whose per capita incomes, already among the world's lowest, have stopped growing and in many areas may well fall. Its economies are overwhelmingly agricultural, yet according to the World Bank, agricultural output is rising more slowly than population growth, which is presently growing at an average of 3.3 per cent per annum (leading to a projected population of 690 mn by the year 2000 — unless this is reduced by starvation or disease). The failure of output to keep pace with population growth has compounded the difficulties posed for Africa by the world economic crisis and the monetarist response to it. For sub-Saharan Africa as a whole, the World Bank predicts that a third of all food requirements will have to be imported by the year 2000, while foreign debt service already absorbs about 15 per cent of all export earnings.

Accompanying and aggravating the economic crisis is a general social and political crisis. Military coups have occurred in a majority of countries in sub-Saharan Africa, and more than half have military or quasi-military governments. More state spending is devoted, on average, to the military than to either agricultural development or health education. Basic personal security is often lacking, and in some countries corruption and extortion by state officials is commonplace. Where this is not the case, inefficiency is often damagingly severe, so that fertiliser arrives too late to be used, trucks arrive too late to remove the harvest, salaries are overdue for months so that administrators cease to function, and so on.

The most popular interpretation of this state of affairs is that it is due to misguided development policies. The new orthodoxy in the so-called 'development community' proposes that the African states fell into the wrong hands at independence, which has brought about an inefficient use of resources; the remedy is to bring about a contraction of the state and allow market forces to operate. This line of thought (though with a less market-orientated conclusion) is exemplified in Richard Sandbrook's recent book, *The Politics of*

Africa's Economic Stagnation. Sandbrook [1985] argues that the problem is that the African states have failed to perform the task that capitalist growth has always required from the state, because they have reflected a pre-capitalist social structure. They have been predominantly 'neo-patrimonial' in character, based on the personal domination of an individual leader, who uses the country's resources primarily as loot for rewarding his loyal followers. Less extreme versions of this thesis [e.g. Bates 1981] see the problem in terms of 'urban bias' on the part of state bureaucrats, and of politicians sensitive to the demands of primarily urban political elements.

Against this prevailing orthodoxy, Bienefeld [1986] has persuasively argued that it grossly understates the responsibility of the same 'development community' for pursuing policies that over the previous 30 years have rendered Africa acutely vulnerable to pauperisation by the nature of its place in the world economy; and that increasing the scope of operation of market forces will only make the crisis more acute and intractable. On this view, the problem is that under constant pressure from multilateral and bilateral aid donors, the African states have failed to pursue 'coherent' strategies to create a degree of insulation of their economies from world market forces. The solution is seen as lying in more coherent development strategies based on the long-term national interests of the African peoples.

While there is more to be said for the latter view than the former, the most obvious general conclusion to be drawn from this debate is that it is unwise to generalise. There are African states that are little more than (badly) organised gangs for looting the national surplus, and there are others that have accomplished much more than the anti-state arguments of both the right [e.g. Bauer 1981:163-84] and some of the left [e.g. Brett 1986] in the debate recognise. Nonetheless, regarding the causes of the African development crisis, there is a widely-distributed feature of African production which deserves attention, namely the social relations of agricultural production, which remain predominantly those of individual households using family labour on small plots which they hold in some form of ownership.

For a hundred years or more this system of 'simple commodity production' expanded output rather steadily and substantially. In the 20 years from 1960 to

¹ This paper owes a great deal to a group of graduate students in the Department of Political Studies at Queen's University: Paula Bund, Radhika Desai, Godwin Friday, Sheila Nicholas, Harold Pickering and John Rapley; but none of them is responsible for opinions or errors.

1979 alone, for example, the volume of merchandise exports from sub-Saharan Africa more than doubled, and the bulk of this came from peasant households. The rise in living standards in Africa, reflected in major advances in education and life expectancy, as well as in personal incomes, was built on the same economic foundation. Why, then, should we single out the system of simple commodity production as a general cause of the crisis? The reason has to do with the special tasks that the state is called on to perform if agricultural productivity is to be raised under this system of production.

To see this more clearly, it is helpful to put it in a very general historical perspective. It has often been pointed out that the English path of capitalist development, in which capitalism developed in agriculture first, with the expropriation of the soil by landowners increasingly oriented to maximising the returns to labour, has been rare.² And certainly policy-makers in the non-settler countries of Africa have mostly assumed that capitalist relations of production would be established first in the non-agricultural sector, and only later, if at all, in farming. If there has been a latent historical model it has perhaps been that of Japan, where even today the average size of farm is under 1.5 hectares, with very little tendency towards concentration; but where productivity has risen at an average annual rate of 1.5 per cent per annum over the last 100 years, not merely enabling the non-agricultural population to be fed largely from domestic food production, but also furnishing the original financial surpluses, and initially also the bulk of the necessary foreign exchange (from silk and tea exports), for industrial investment [OECD 1974:31-3; Hayami 1975:5].

The 'English' route to agricultural development was deliberately closed by the colonial governments in most African colonies. Although the colonial officials of British West Africa, in particular, initially entertained hopes of developing capitalist agriculture, they soon realised that the political costs of trying to force the African population off their land and into wage labour on plantations or estates were too high; they would not be able to maintain control in face of the resistance this would generate. Instead, they consolidated the existing system of smallholdings. But in addition, they blocked the emergence of native capitalists who might have developed capitalist farms themselves. They superintended the creaming off by foreign export houses, and later by state-owned marketing boards, of the surplus of the smallholders who produced export crops; they also resisted the entry of Africans into other fields of capital accumulation, reserving them as far as possible for foreigners.

Now, contrary to what Marx seems to have supposed when taking the English experience as his model in

² See e.g. the invaluable review by Williams [1986].

writing *Capital*, it is not essential to merge 'the dwarf-like property of the many into the giant property of the few' in order to get the necessary productivity increases in agriculture. Not only can very small land units be made more and more productive by substituting fertiliser for land, and using better seed; but with rising incomes and increasingly specialised outputs the farmers become increasingly dependent on purchased inputs and on personal consumption and so form a growing domestic market for industry. And so long as there is no prospect of industry absorbing significant proportions of the rural labour force, the 'English' route of forced separation of the rural population from the land implies mass destitution. All of these are good reasons for preferring a 'Japanese' road. In the long run, as in Japan today, very small farm sizes will emerge as an obstacle to increase labour productivity because they inhibit the use of machinery. But this obstacle may be partly overcome by the cooperative use of machinery, and in any case it arises only when the scope for raising productivity by other means has been much more fully explored than it has in Africa.

But the trouble with the 'Japanese' road is that it required conditions for its success that are not easily reproduced in Africa. The Japanese state was strong and had a coherent policy for inducing the landlord class to use the surplus produced by tenant farmers for capitalist accumulation. There was also a relatively well developed rural infrastructure (especially irrigation); and in due course the state also developed the ability to provide sustained improvements in education, in agricultural research and extension, and in the rural infrastructure. In other words, it is a state-dependent road. Instead of the impetus for continuous productivity increases coming from market forces operating on capitalist farm enterprises dependent for survival on profit maximisation, it must come from a state apparatus inducing millions of risk-avoiding peasant smallholders to constantly modify their farming practices, by a mixture of well-designed and well-implemented inducements and pressures, along a path of rising efficiency already mapped out by the state.

The 'English' road, by contrast, was dependent on state power mainly to clear the land of its original owners or users: thereafter, it was primarily the search for profit by increasingly market-oriented agricultural capitalists that raised productivity. In this connection it may be noted that contrary to a popular misconception, Marx's account of 'primitive accumulation' does not assign a central role to the state in all or even most of its aspects. A careful reading of the relevant sections of *Capital* Volume I, Section 8, will show that he saw it as largely the work of 'robber barons' who often relied on state power, but for the most part did not actually employ the state apparatus. This is pertinent to what is now happening in some

African countries. What appears, from the standpoint of the 'Japanese road', to be a highly dysfunctional use of state power, may be functional from the standpoint of the 'English' road; for example, an irrigation project intended to raise the productivity of smallholders may be perverted into a project which favours the emergence of large or medium scale capitalist farms owned by the project administrators, other bureaucrats, and army officers. (This does not imply, of course, that this is a more desirable outcome; it merely draws attention to the possibility that more than one road to rural development may be implicit in what is going on.)

It is now time to try to bring together the threads of the argument. It is that *the relations of production of African agriculture are such as to hold out the possibility of continued increases in productivity only if the state is effective to a degree that is rare in African conditions.* It is unnecessary to postulate a generalised 'neopatrimonialism' — a state may be relatively rational and honest and still unequal to this task. What is called for is a state capable of pursuing sustained and coherent policies in a number of related fields, above all for raising agricultural productivity. The dependence of this route on appropriate state policies is critical. The 'English' route relied much less on state policies and activities, and much more on market forces operating, after an initial use of force, on capitalist farm enterprises.

From this perspective, then, a focus on state policy-making in Africa is not inappropriate. But why should a period in which African rural output expanded so impressively have been followed by an apparently general halt, or even a contraction? Did African states formerly have coherent and appropriate policies for agriculture, but become incoherent or worse in the 1970s? This seems implausible; any plausible view must embrace a fairly wide range of factors, and reflect a wide range of variations in the African experience. What follows is at most suggestive.

In the first place, a portion of the expanded output of African smallholder agriculture has always been obtained by bringing new land into cultivation. In parts of Africa such as Côte d'Ivoire, Zambia, Sudan and the Congo Republic this is still possible, but in many others with growing land shortage (exemplified by Kenya and Zimbabwe) it is not. The onset of the drought in the early 1980s brought this into view. The implication is that further rises in output will have to come from productivity increases, which require a level of government support not previously needed, and which, in the conditions of fiscal exchange crisis that set in from the mid-1970s (not to mention the more longstanding problems of most African states) was highly unlikely to be forthcoming.

Secondly, the most significant aspect of Africa's agricultural problem may well be the decline in food exports. The reason for this is partly that it is not easy

to be sure that per capita food production has in general fallen. According to the World Bank, it fell by 12 per cent from 1969-71 to 1980-82, but the data on which this is based are not very reliable.³ The data on food crop exports are relatively reliable, and what they show is that while world food exports grew in real terms by 2.7 per cent a year from 1965 to 1970 and 5.3 per cent a year from 1971 to 1984, Africa's share of total world trade in food fell from 1.5 per cent to 0.3 per cent over the whole 25-year period. In the 1970s, the volume of African exports fell each year for virtually every agricultural commodity except sugar and tobacco.

This in turn may be explained by various factors, depending on the circumstances; for instance in Nigeria, thanks to the oil boom, it was certainly aggravated by the relative increase of prices for crops sold on the domestic market, and the greater returns to labour to be obtained from urban employment. In many countries, as the World Bank argues, overvalued local currencies or excessive export taxes also undoubtedly hurt exports.

However, not enough attention seems to have been paid to the general effect of declining world commodity prices. This is not a recent phenomenon. Over the period 1950 to 1984 there was a real decline of over one per cent a year in world agricultural prices, and of 1.3 per cent per annum in the prices of cereals and fats and oils. Some of this decline may be attributed to a tendency for rich countries to consume relatively less of these commodities as incomes rise, and to increasing supplies; but some of it seems to be due to a decline in the costs of production by advanced capitalist producers. This is evident, for example, in the case of palm oil, where plantation production in Malaysia and Indonesia used radical technical innovations to bring down costs; and in groundnuts, where the United States, following its standard agricultural pricing policies to reward high productivity, replaced the Sudan, Nigeria and Senegal as the world's leading exporter.

It is true that in the ten years 1974-83, total Nigerian palm oil production rose 10 per cent, and was sold on the domestic market (population grew four times as fast); but during this same period total Malaysian production tripled (to over four times total Nigerian output) and total Indonesian production more than doubled, to exceed Nigerian output. In the same period, too, total Sudanese groundnut production was more or less constant but yields from peasant production were falling, and the Sudan's survival as an exporter of groundnuts was due increasingly to its expanding capitalist sector.

These examples remind us that peasant production of

³ Schatz [1986:177-8] suggests that the evidence for declining per capita food production, in so far as it is inferred from rising food imports, has been misread, and in fact implies constant per capita food production over the 19 years 1961-63 to 1980-82.

commodities for export cannot be sustained unless productivity increases more or less keep up with those obtained in non-peasant production. Otherwise the peasants eventually cease to obtain an adequate return to their labour (which has become too inefficient by world standards), and their produce ceases to be exportable. In the Sudan this process appears to have reached a point where more and more peasants are being forced into wage labour in the mechanised large scale farm sector [see El-Mekki 1985; O'Brien 1983:15-34]. Similarly, in several West African countries, it is no longer possible for state marketing boards to set producer prices which will induce farmers to produce, and still have a surplus to show when the crops are finally disposed of on the world market. The gap which used to exist between the world price and a viable producer price has become too narrow.

In the case of some crops it is perhaps impossible for world levels of efficiency to be matched within the social relations of household production (this seems likely to be true for palm oil, for example) but many crops can, theoretically, be produced efficiently on small holdings. The trouble is, once again, that the state policies needed to secure this are not likely to be forthcoming in many African countries. On the contrary, what is more characteristic in many situations is the use of state power by emerging native capitalist classes to acquire land for capitalist farming, as has happened in Nigeria, in northern Ghana, in the Sudan, in parts of Kenya, and elsewhere [Williams 1986]. It is true that capitalist farming in Africa has generally secured state support not only for the initial appropriation of land, but also in the form of subsidised inputs, price advantages, and the like, raising still further the social costs of this 'road'; and it cannot be sustained unless there is an adequate labour force with no real alternative to wage labour. But it seems important to acknowledge that it has, in some countries, been a way in which advances in agricultural production have been achieved and may be others in the future.

In practice, the pattern seems likely to be mixed, within countries as well as between them. Regions of capitalist farming co-exist alongside large regions of simple commodity production in many countries [e.g. Zimbabwe, Zambia, Kenya, Côte d'Ivoire, the Sudan], while the development of various forms of integration between household farms and the corporate purchasers and processors of their crops (irrigation schemes, outgrower schemes, contract farming, etc.) constitutes a sort of intersection between the two 'roads' which is quite significant in some countries (Côte d'Ivoire, Kenya, Sudan, among others). And in spite of resistance to the idea among protagonists of 'the peasant', a process of internal differentiation is inevitably taking place which is, however gradually, leading to the emergence

of some small-scale capitalist farms on the one hand, and increasingly wage-dependent labourers on the other, within many predominantly 'household' farming areas.

Some 20 years ago Samir Amin called for the destruction of the African family farm, and the individualisation of holdings, on the ground that productivity could never be raised within the framework of the traditional household unit.⁴ Today he would no doubt qualify this, yet the basic issue remains: the functional equivalent for the impact of 'primitive accumulation' on African agriculture must be found — that is, some means for (a) permitting and (b) forcing it to achieve continuous improvements in productivity. This does not exclude socialist means, if social forces capable of sustaining them can be mobilised. The only alternative, apart from the expansion of capitalist farming, seems to be a growing risk of some new form of colonisation, from chronic dependence on food aid and/or current budgetary support from abroad, to the role of economic and political satellite such as the present regime in South Africa envisages for its neighbours.

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⁴ 'Bureaucracy will not justify itself historically as a progressive force in West Africa or anywhere else except to the extent that it succeeds in completely transforming the economic base of society to realise primitive accumulation' [Amin, n.d.].