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Economic Change, Governance and Natural Resource Wealth: The Political Economy of Change in Southern Africa. David Reed. London: Earthscan, 2001. 168 pp.

The author of this book is the director of the WWF Macroeconomics Program Office (MPO) and this book comes out of the MPO's efforts to work with national governments and international development agencies to address ecological and equity concerns emerging from structural adjustment programs in southern Africa.

The author draws upon research projects that took place in three countries (Tanzania, Zambia, and Zimbabwe) as well as South African water and energy pricing regimes. Unfortunately the South African experiences, which have much to teach about civil society responses and resistance, are not included in the book.

Reed criticizes the forms of government in Tanzania, Zambia and Zimbabwe, especially one-party rule and state-domination of economies, but is less critical of the World Bank and IMF which have imposed massive economic changes on these countries. The lack of transparency and accountability of governments is harshly criticized (and rightly so), but the same lack of transparency and accountability in the World Bank and IMF (not to mention the major resource corporations) receives little criticism. This is despite the fact that David Kaimowitz's "Preface" notes that there are more poor under structural adjustment programs. The oversight may be, not so innocently, related to the fact that Reed benefited from "steady contributions" from World Bank staff towards "the development of the project" (xix). World Bank officials commented on draft reports and offered numerous suggestions.

The reader should be aware that this book is written throughout in the language of neo-liberalism, from a perspective that favors structural adjustment. In a work that clearly privileges GDP measures over investment in social infrastructure, Reed speaks favorably or uncritically of privatization, liberalization of foreign investment regulations, downsizing, market-based pricing, fiscal discipline and almost anything proposed by the IMF or World Bank.

The gap in Reed's analysis is illustrated by his perplexity when faced with the persistence of poverty even as socioeconomic reforms proceed. Reed does not even entertain the possibility that economic setbacks and deepening poverty are happening, not despite structural adjustment, but rather because of structural adjustment. In each case the concern is with the most convenient approach to achieve economic outcomes desired by the Bank. Whether in the case of autocracy or democracy the people of the country and their needs often disappear from the discussion (except for vague references to "resistance from the public" which is presented as being manipulated by local elites).

Downsizing, which in Tanzania led to 50 000 unemployed civil servants in less than two years, is presented flippantly as simply a "central priority" (49). Similarly Reed laments that it took more than five years "to fulfill many of the divestiture objectives" of privatization in Tanzania (49). Reed crows about reforms in Zimbabwe that meant the country's "labour costs

were now globally competitive" (in other words, "a 35 per cent decline in wages [that] reduced real income" (108-109). Later he notes that some "tension" arose because "layoffs associated with the adjustment programme intensified downward pressure on the incomes of the rural poor," a supposed concern of the book (111).

It is also bewildering that someone involved with an environmental organization can speak approvingly of mining policy that sets "an attractive regulatory framework" for business, especially given how such attractive frameworks privilege profit over ecological protection (52). Similarly, Reed bases his evaluations of reforms largely on rates of growth and exploitation, and, moreover, he views such increases positively. One might expect a representative of an environmental NGO to be more critical about expansion of activities such as mining, given the serious ecological and social impacts associated with this sector both in southern Africa and globally. Instead, Reed lauds growth of mining sectors and criticizes governments for not directing more budget expenditures towards developing growth in this sector.

Perhaps more troubling is the way in which Reed passes over practices like child labor, as merely "a common problem" related to the adjustments, rather than making this a focus for sustained discussion and criticism.

There is even a patronizing aspect to Reed's boosterism, as when he insists that "there have been economic spin-offs benefiting the region. Tour operators have occasionally purchased thatching mats and local produce, and hired short-term labourers, thereby increasing local incomes albeit in nominal ways" (85).

Ironically, Reed has to concede that the reforms have not even lived up to their limited goals of increasing economic efficiency and accelerating economic growth as "a striking feature is that economic performance has deteriorated on many counts since the launch of the reforms." Indeed economic problems under structural adjustment "brought the country to the brink of collapse" (108-109). Reed is also at a loss to explain why, rather than democratization, "economic reforms and institutional changes have created a new political elite and economic elite whose actions and policies lie beyond the realm of public scrutiny and accountability." (94).

Reed's preference for neo-liberal adjustments leaves his analysis paralysed in the face of IMF and World Bank PR: "This conclusion [that the poor are doing worse] is paradoxical because the expressed purpose of the economic reforms, as articulated by the Bretton Woods institutions over the past decade, has been to alleviate poverty, particularly rural poverty, and to draw the peasantry fully into the country's economic life." (95).

Precisely what is lacking in this book is the very thing it should be contributing, a "coherent analytical framework for understanding these outcomes, and for understanding the skewed distribution of benefits from the adjustment process more generally."

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