THE POLITICS OF AFRICA'S ECONOMIC RECOVERY

RICHARD SANDBROOK
Professor of Political Science
University of Toronto

CAMBRIDGE
UNIVERSITY PRESS

Published by the Press Syndicate of the University of Cambridge
The Pitt Building, Trumpington Street, Cambridge CB2 1RP
40 West 20th Street, New York, NY 10011-4211, USA
10 Stamford Road, Oakleigh, Melbourne 3166, Australia.

© Cambridge University Press 1993

First published 1993
Reprinted 1995

Printed in Great Britain by
Athenæum Press Ltd, Gateshead, Tyne & Wear

A catalogue record for this book is available from the British Library

Library of Congress cataloguing in publication data
Sandbrook, Richard.
The politics of Africa's economic recovery/Richard Sandbrook.
p. cm. – (African society today)
Includes bibliographical references and index.
ISBN 0 521 41543 8 (hc). – ISBN 0521 42563 8 (pb)
1. Africa –Politics and government – 1960– 2. Africa – Economic conditions – 1960– 3. Democracy – Africa. I. Title. II. Series.
JQ1879.A15S26 1993
960.3'29 – dc20 92–10888 CIP

ISBN 0 521 41543 8 hardback
ISBN 0 521 42563 8 paperback

RP

CONTENTS

	African states and principal cities	*frontispiece*
	List of tables	*page* viii
	Acknowledgements	ix
1	The rediscovery of politics	1
2	False starts: capitalist and socialist	21
3	Creating and enabling liberal states	56
4	Democratizing liberal states	87
5	From recovery to transformation?	121
	Notes	151
	References	154
	Index	166

TABLES

1 Sources of central governments' current revenue *page* 40
2 Civil war deaths in sub-Saharan Africa 51
3 Public employment reduction mechanisms for selected countries, 1981–1990 60

1

THE REDISCOVERY OF POLITICS

'Worshipping a dictator,' as a fictional hero of Chinua Achebe so aptly proclaims, 'is such a pain in the ass'. 'It wouldn't be so bad,' this hero observes, 'if it was merely a matter of dancing upside down on your head. With practice anyone could learn to do that. The real problem is having no way of knowing from one day to another, from one minute to the next, just what is up and what is down' (Achebe 1987: 45). This conviction would have been shared by many Africans as the 1990s dawned. Political demonstrations and riots rocked most one-party states and military juntas between 1989 and 1991. People were fed up with erratic, self-serving, and corrupt – not to mention oppressive – governance.

This ferment coincided with a dramatic shift in the development establishment's view of what needed to be done to reverse sub-Saharan Africa's economic decline. On the one hand, the tarnished allure of socialism and the waning of the Cold War had eroded the Western powers' strategic interest in protecting friendly, yet manifestly unpopular, African dictators. On the other hand, many authoritarian African regimes had succumbed to a capricious and predatory economic management. The World Bank and International Monetary Fund (IMF) could attribute a decade of disappointing results from market-oriented structural adjustment primarily to this mismanagement, rather than to the inadequacies of their recommended policy reforms or the vagaries of the international economic order. Development agencies therefore found it both geopolitically and intellectually acceptable to contend that, in Africa as elsewhere, glasnost must accompany perestroika. Western governments, international organizations, and even some African governments rediscovered an enthusiasm for good government, to be achieved by political in addition to economic liberalization.

The World Bank has, as usual, played a central role in formulating the current development ideology. The Bank's seminal report of November 1989, *Sub-Saharan Africa: From Crisis to Sustainable Growth* (World Bank 1989a), is an exceptionally clear and authoritative account of the ascendent liberal-democratic, free-enterprise model for Africa's recovery. This model, like all development ideologies, identifies societal goals, which, besides growth, now encompass such laudable ends as ecological sustainability, equity (including gender equality), agricultural expansion, and democratization. It also furnishes a general explanatory framework which weighs the impediments to these goals (primarily growth) in the form of domestic versus international variables, and economic as opposed to political, social, and cultural factors. On this basis, the model proposes guidelines for efficacious policy and institutional reforms.

The current ideology is not really new. It is a revision of the orthodoxy prevailing in the 1980s, not an entirely different approach. In the 1950s and 1960s, the dominant development model assumed that markets often worked inefficiently in developing countries, and that therefore a pro-active state must widely intervene to counter these market failures. But, in the late 1970s and 1980s, disillusion with statist approaches and the ascendancy of neo-conservative governments in Britain, the United States, and West Germany provoked a shift toward a neo-classical, market-oriented paradigm. Development policy then focused on the role of markets, the price mechanism, and the private sector. Domestic failings in the form of mistaken policies, not the workings of the global economy, were identified as the prime cause of economic stagnation in the Third World. Today's revised development ideology retains both the emphasis upon domestic sources of economic malaise, and the faith in liberal economic policies. What is new is the belated recognition of the centrality of the state, and in particular, accountable government, to sustained capitalist development.

'Africa needs not just less government but better government – government that concentrates its efforts less on direct [economic] interventions and more on enabling others to be productive' (World Bank 1989a: 5). This distils the essence of the new development ideology's political message. A precondition of capitalist development is a state which is able and willing to safeguard political order and foster an adequate infrastructure, a calculable law and

administration, and consistent, market-facilitating economic policies. Yet what characterized most African countries, claimed the Bank's report, was a bloated, overextended state of limited capacity that was given to disorder, capricious management, and faulty policy. Hence, the Leviathan must be tamed, redirected, and made effective. How? The Bank proposed, in effect, to convert the monopolistic African states into liberal democracies linked to enlarged and rejuvenated private sectors, and to rebuild the reformed states' institutional capacity.

This programme commands wide official support today. Even such a tenacious critic of World Bank policies as Dr Adebayo Adedeji, the former Executive Secretary of the United Nations Economic Commission for Africa (ECA), has accepted the 1989 report as 'an important contribution to building a consensus on the vital policy issues that confront Africa' (Morna 1990: 53). This consensus manifests itself in new political conditions attached to aid and loans. Douglas Hurd, the British Secretary of State for Foreign and Commonwealth Affairs, bluntly identified these conditions in a speech in June 1990. Potential recipients of Western aid must, he warned, be countries 'tending towards pluralism, public accountability, respect for the rule of law, human rights and market principles'. Governments which persist with 'repression, corrupt management, or with wasteful and discredited economic policies should not expect us to support their folly with scarce resources which could be used better elsewhere' (*West Africa* 25 June–1 July 1990: 1077). Britain's European partners were in accord with such political conditionality, judging by a new European Community charter signed in November 1991. This charter linked aid to respect for human rights, democratization, a free press, and probity in aid-recipient countries. The United States government also enthusiastically endorsed the new consensus in 1990–1. Both the US State Department and the US Agency for International Development adopted programmes to promote good governance and democracy. Japan, now the world's largest aid donor, has also fallen into line.

The Kenyan government of President Daniel arap Moi felt the full force of the new policy in 1991. Kenya had long been a favoured recipient of Western aid. Despite human-rights abuses, failures to implement agreed economic reforms, and an increasingly anaemic economic performance, Kenya had seen its grants rise from 1 per cent of its GDP in 1986 to more than 3 per cent in 1990 (*The*

Financial Times, London: 8 Jan. 1992). Yet Kenya's aid donors, meeting in Paris under the World Bank's chairmanship in November 1991, announced an unprecedented six-month suspension of new aid pledges to Kenya. Moi's repressive responses to popular demands for multiparty democracy, combined with endemic corruption, maladministration, and growing official violence, precipitated this action. Within days, Moi reluctantly bowed to the pressure from internal dissenters and external aid donors; he lifted the ban on opposition parties and promised multiparty elections. The link between external aid and political as well as economic reform was firmly established.

But praise for the new strategy's support for democratic movements should not blind us to its broader ideological implications. It would be naive to treat the strategy's main proponents, the World Bank and the IMF, as non-ideological agencies open-endedly searching for cures for Africa's financial disequilibria, stagnation, poverty, and oppression. The geopolitical interests of the Western powers and (where these differ) the needs of internationalized capital will inevitably influence revisions in the dominant development ideology. Since their creation, the IMF and the World Bank have consistently aimed to integrate as many national economies as possible into a multilateral global capitalist economy (Wood 1986). Both agencies have encouraged, in countries receiving their loans, monetary, fiscal, and trade policies which extend the sway of international market forces. Open, export-oriented development may meet the needs of international capital and the advanced industrial countries; it does not necessarily advance the interests of the poor within low-income developing countries.

Scepticism is therefore warranted in posing the critical question: does the liberal-democratic, free-enterprise model constitute a plausible political programme for arresting Africa's downward spiral? Not, of course, that African governments have much choice in the matter. International financial institutions afford Africa 'the only game in town', in light of the paucity of private capital flows to Africa, the virtual demise of socialism, and the weakened capacity of African governments to resist external blandishments. But are there positive reasons for adopting the strategy?

I will argue that, despite contradictions and shortcomings, the model offers the best option in the short run of the 1990s. In the longer term, however, a more transformational approach is required to deal with Africa's complex crisis.

However one evaluates the revised development model, few would deny that a rethinking of conventional development strategy in 1989–90 was long overdue. Sub-Saharan Africa had suffered a protracted and calamitous economic crisis that conventional adjustment policies had stemmed only in rare cases.

As the United Nations Secretary-General warned in his 1991 report *Economic Crisis in Africa*, Africa is heading for 'an unrelenting crisis of tragic proportions'. In the 1980s the sub-continent suffered a precipitous fall in per capita incomes from levels that were already intolerably low. Whereas per-capita incomes increased at a moderate rate of 1.4 per cent in the 1960s, this rate declined to 0.2 per cent in the 1970s and – 2.8 per cent between 1980 and 1986. Consequently, the number of Africans enduring absolute poverty grew by almost two-thirds in the first half of the 1980s to constitute more than half of the population; in the developing world as a whole the number rose by only a fifth. People in many African countries, for example Nigeria, Liberia and Niger, have endured a decline in real incomes of well over 25 per cent. Even under the sanguine assumption that the region achieves an annual growth rate of 4 per cent in the 1990s, sub-Saharan Africa will still suffer an increase of 85 million in the numbers of the poor by the year 2000. Whereas Asia's share of the world's absolute poor would decline from 72 to 53 per cent, Africa's would double from 16 to 32 per cent (World Bank 1990a; UNDP 1990).

Unfortunately, Africa's decline is not limited to a single sector. Per capita agricultural output has stagnated or declined. Industrial output has fallen. Deforestation and desertification have reduced the productive land area. Rising food imports, declining terms of trade, and capital flight have produced a massive jump in the external debt, which in 1990 was roughly equivalent to the sub-Saharan countries' gross national product and required half of all export earnings to service. Institutions, including once-proud universities, have decayed as budgets declined and patronage appointments vitiated managerial effectiveness.

Drastic reductions in social expenditures since 1980 have made everyday life for many a constant struggle. In the 1960s and 1970s, basic health indicators, including life expectancy and infant mortality rates, improved markedly. During this period, school enrolments grew faster than in any other region, with the primary school population nearly doubling. But budgetary cutbacks and declining

incomes in the 1980s devastated many educational institutions, raised infant mortality rates, and worsened nutritional levels. Literacy rates, life expectancy, and employment in the formal economy remained stagnant or even declined.

However, the record is far from uniformly bleak in the forty-seven countries lying in or off the coast of sub-Saharan Africa. Botswana, Cameroon, Lesotho, and Mauritius have been consistently high economic performers, and Côte d'Ivoire, Gabon, Kenya, Malawi, Mali, Niger, Senegal, Tanzania, and Zimbabwe have experienced either high growth in the early years or modest growth throughout most of the period since independence. And some of the poorer countries, such as Tanzania, rank higher on the human development scale than many other countries with higher per capita Gross National Products (UNDP 1990: 128). Nonetheless, most Africans in 1991 were as poor or poorer than at independence three decades earlier.

Of course, there are striking contrasts. Whereas downtown Harare, Zimbabwe and Gaborone, Botswana boast neat, well-tended streets and buildings, orderly traffic flows, well-stocked stores, and an air of prosperity (despite the beggars and street children), other capitals, such as Freetown, Sierra Leone or Lagos, Nigeria resemble overgrown and overcrowded shanty-towns replete with crumbling buildings, open drains, and eroded and chaotic roads. It is no wonder that new regional headquarters of intergovernmental and non-governmental organizations proliferate in Harare as they once did in Nairobi and Accra.

Sierra Leone, a West African country of only 4 million, demonstrates what human devastation economic decline can bring. Once, between 1950 and 1972, the country had one of the fastest growing economies in the region (with an average annual growth rate of about 7 per cent). Although Sierra Leone is small in population, it is rich in minerals – diamonds, gold, bauxite, rutile, iron ore, chrome, and platinum. It also possesses relatively fertile land, together with abundant rainfall. Its shores teem with fish. And, during the colonial period, the territory developed a sound educational system, including a renowned university college. But the country entered a severe and unending economic crisis in the late 1970s. Incomes per capita declined by an average 5.6 per cent per annum in 1980–5. Inflation reached 80 per cent by the end of the decade. Pauperization was the consequence for professionals such

as teachers and bureaucrats as well as for workers and others. Salary and wage-earners had no choice but recourse to informal economic activities in order to supplement their meagre family incomes. In Sierra Leone, as an observer notes (Zack-Williams 1991: 9), 'everyone trades: from little children who sell kerosene and fruits... to women who sell cooked food to the urban poor; or politicians who use their influence to obtain import licences and set themselves or relations up in trading activities'. As well, teachers often moonlight as private tutors. Households with cars (or access to an employer's car) utilize them as taxis.

Meanwhile, the public services decayed (Zack-Williams 1990: 26–8). State hospitals and clinics went into a steep decline in the 1980s. Employees in these institutions suffered the same fate as teachers and other civil servants – shrinking real wages and nonpayment of salaries for months on end. The resulting demoralization has negatively affected health services. Corrupt officials made matters worse by illegally diverting drugs and medical equipment to private clinics and drug stores. Private clinics have flourished; however, only members of the political and economic elite can afford their high prices. It is not surprising that the country now has a relatively poor health record. Life expectancy is only 42 years; 170 of every 1,000 children die before age 1; and 43 of every 1,000 children between the ages of 1 and 4 die each year (World Bank 1988c: 214).

Education is in equally dire straits. Many schools are so dilapidated that they lack windows and roofs, as well as supplies (Zack-Williams 1990: 28). The expense of keeping children in school means that almost half of the eligible children do not attend primary school. Even those who do attend receive an education of inferior quality to that of the 1970s, owing to overcrowded classrooms, demoralized teachers, and a paucity of supplies and books. Even the renowned colleges of Freetown have declined to mere shadows of their former glory. Falling academic salaries and deteriorating conditions produced an exodus of qualified faculty, either to positions abroad or to lucrative consultancies for foreign organizations. Adult illiteracy stands at 71 per cent, and only 21 per cent of women are literate.

The road system in Sierra Leone also fell apart in the 1980s. Roads, even in the towns and cities, were so dilapidated by 1989 that

the official car of choice for cabinet ministers, senior civil servants, and judges was a rugged Japanese jeep (Zack-Williams 1990: 28).

Life was equally hard elsewhere. In Ghana, reputedly a success story of structural adjustment, the new minimum daily wage of 170 cedis in 1989 barely paid for a can of milk and represented only about half of the cost of a bar of laundry soap. Obviously, the households of urban workers could not survive without recourse to multiple job-holding and informal income opportunities. But even middle-class professionals were severely affected by the economic crisis. Witness the plight of Joe Mensah, a senior civil servant in Accra, Ghana (Morna 1989: 46–7). When he graduated from law school in 1972, he expected to be able to afford a car, a house, and modern appliances within a few years. He had not been able to buy a house by 1989, however, and a car he purchased in 1976 subsequently had to be sold to support his family of four. By 1989, Mensah earned a salary equivalent to $US50 per month. His wife earned $US30 per month. Their total formal incomes fell short of the $US100 per month needed to pay for their household's bare necessities. Mensah, not surprisingly, was unimpressed by six years of Economic Recovery Programmes: 'At a time when I should be sitting back and enjoying myself, I find myself even worse off than when I began' (Morna 1989: 47).

If it were not for the unenumerated and unregulated informal or parallel economy, life would be even more desperate than it is. Tanzania, in the midst of an economic recovery programme in 1989, brought in a higher scale of civil-service salaries; but the scale ranged only from $US10 to $64 per month at the official rate of exchange. True, fringe benefits such as housing allowances augmented salaries. Nonetheless, a sack of maize (the country's staple food) cost over $US7.50; public secondary school fees ranged from $US11 to $22 a year; income taxes, exclusive of other levies, removed $US3.50 from a monthly salary of $US30; and rents rose markedly (Spear 1989: 46). Virtually all Tanzanian civil servants thus had to supplement their earnings, usually in the parallel economy. Farming and animal husbandry are common sidelines. Even professionals have small farms on which they produce milk, eggs, and chickens for urban markets. Such activities allow families to double or treble their incomes (Spear 1989: 46). Whereas an average school teacher earned $US30 per month in 1989, a cow could fetch $US60. Other enterprising civil servants (or even those with farms) made money by

converting the front room of their houses to a shop; using their family car as a taxi; establishing back-lane workshops to make furniture or repair automobiles; or engaging in black-market activities such as currency deals. Most of these activities escaped taxation.

Informal economic activities are widespread in all countries, as people find ingenious if not always legal ways to survive. In extreme cases of economic decline, such as Zaire and Uganda, the underground economy has accounted for as much as two-thirds of Gross Domestic Product (Schissel 1989: 43). Petty commercial and productive activities, similar to those described in the cases of Sierra Leone and Tanzania, comprise a large part of the parallel economy in most countries. Finance constitutes another dynamic informal activity in countries whose banks are unreliable as a source of credit. In Cameroon, for instance, *tontines* (informal credit associations) are a major source of credit to those who lack collateral. These associations are reputed to handle more money than official banks, and, though unofficial, rarely suffer from defaults (Schissel 1989: 45). International trade, or smuggling, is another major dimension of the underground economy. Traders ignore international boundaries as they move goods and money from place to place. For instance, Nigerian traders smuggle locally manufactured goods to Cameroon where they are sold for CFA francs. They then trade these francs in Lomé, Togo, for hard currencies receivable in European centres. Agents use these funds to buy products which are then smuggled, via Lomé, into Nigeria. The circle is then complete (Schissel 1989: 45).

To rejuvenate slumping economies, the World Bank and International Monetary Fund have sponsored structural adjustment programmes which, in effect, encourage the state-dominated 'first' (formal) economy to emulate the competitive 'second' (informal) economy.[1] The bulk of sub-Saharan countries have attempted at least one such programme since 1980. A typical structural adjustment programme of the World Bank included measures to maximize reliance upon markets in goods, capital, and labour flows; to minimize governmental expenditures and economic interventions by reducing public ownership, subsidies, price controls, and regulation; and to improve the state's efficiency in allocating and using resources. In implementing such programmes, the Bank and the IMF in the 1980s eschewed consideration of the political constraints and concerns of the recipient countries, except insofar as these

obstructed a government's ability to impose technically 'correct' economic policies.

The efficacy of these programmes was a subject of heated debate in the 1980s. Disputes raged owing to the ambiguity of structural adjustment – no one could say what would have happened to a particular economy in the absence of 'economic reform' – and disagreements over the criteria of evaluation. Proponents tended to focus on aggregate economic indicators, such as Gross Domestic Product, agricultural output, exports, fiscal balances, and inflation. Opponents questioned the social costs of adjustment, its contribution to long-term growth and development, and the external indebtedness and dependency that resulted.

Ghana's experience demonstrates the difficulty of reaching a conclusive judgement. Often touted as a 'success story', it was in the midst of its third Economic Recovery Programme in 1991. In 1983, when the radical populist government of Flight-Lieutenant Jerry Rawlings shifted course to embrace IMF-sponsored structural adjustment, the economy was widely regarded as a basket-case (Harsch 1989: 23). Between 1970 and 1982, Ghana's gross domestic product had declined at an average annual rate of 0.5 per cent. This amounted to a fall in real per capita income of nearly a third. Inflation had reached 123 per cent in 1983. The infant mortality rate had risen from 80 per 1,000 in 1975 to 107 per 1,000 in 1983. As a result of official price controls, most economic activity had shifted to the parallel economy. The public sector was saddled with tens of thousands of redundant employees. Corruption pervaded the system.

Structural adjustment policies registered considerable improvements in some economic indicators between 1984 and 1989 (Loxley 1991). Annual economic growth rose into the 5–6 per cent range – which translated into a per capita growth rate of 2½–3 per cent per annum, at a time when per capita growth rates elsewhere in the region were usually negative. Food production per capita grew. The manufacturing sector expanded. The rate of investment increased, albeit slowly. Although exports failed to meet targets, this flowed from the fall of 54 per cent in the world price of cocoa between 1986 and 1990. (The volume of cocoa exports rose by a third as export receipts fell.) Nonetheless, external debt mushroomed as aid and loans were used to finance almost half of Ghana's imports. Between 1983 and 1988, the foreign debt had more than doubled, to $US3.3

billion. The government managed to balance its budget – until 1990. And inflation fell from its peak of 123 per cent in 1983 to about 40 per cent in 1990 (which was higher than in 1989 owing to disastrous export sales and poor weather).

Although this is an impressive record, dissenters point to various problems and shortcomings. Ghana is as dependent as ever upon the export of cocoa, whose world price has collapsed. Inflation is on the increase again. Contrary to the expectations of the IMF and Rawlings government, foreign investors have shown no interest in Ghana despite its extensive economic restructuring. The enormous debt load will constrain further growth. Many Ghanaians seem not to have benefited from the improvement in aggregate economic indicators. And, they say, the replicability of the Ghanaian experience in Africa is dubious, owing to the unwillingness of Western governments and the international financial institutions to commit elsewhere the same level of resources which they have directed to Ghana.

In light of the controversies surrounding the evaluation of structural adjustment even in the dramatic case of Ghana, prudence dictates a circumspect judgement. Structural adjustment programmes had mixed but often disappointing results in sub-Saharan Africa in the 1980s. The international financial institutions have tried to put the best face on the adjustment record. A report issued by the World Bank and United Nations Development Program in early 1989 concluded that 'evidence suggests that reforms and adjustment generally have led to better economic performance in the region' (World Bank 1989b: 27). But the Economic Commission for Africa and independent scholars have cogently challenged this report, including its methodology (United Nations Economic Commission for Africa 1989; Helleiner 1990: 9–10; Ravenhill 1990: 708–9). A 1988 'Mid-Term Review' by the UN's Program of Action for African Economic Recovery and Development reached a conclusion on structural adjustment that more accurately reflects the evidence and independent evaluations: 'a handful of countries registered some improvement in their overall economic fortunes. For a slightly greater number, there have been positive trends in certain macroeconomic indicators (higher export volumes, lower inflation rates, reduced budgetary deficits). But for a majority of African states, there has not been even a hint of recovery.'[2]

Development models should generate useful advice to deal with these pressing socio-economic problems. Prescriptions are likely to be only as good as the explanatory framework from which they are deduced. The political-economic perspective of the current development ideology is an improvement on the narrowly technocratic one it replaced. Yet both the current model and its predecessor have underestimated the role of global constraints on Africa's recovery. Most of the responsibility for Africa's crisis is still pinned on domestic failings.

A useful model must capture the complex interconnection of political and economic, domestic and international, factors in economic decline. A brief reference to Togolese experience may starkly illustrate these interconnections. Togo, a 'least-developed' West African country of 3.5 million, has long been heavily dependent upon the export of phosphate. When the world price for phosphate escalated in the mid-1970s, the government of the autocratic president, Gnassingbe Eyedéma, decided to use its foreign exchange bonanza to finance import-substitution industries behind high tariff walls. The result was a disaster:

> Attracted by the new wealth, many European entrepreneurs and crooks appeared on the scene. Corruptibility and the robber baron mentality complemented each other. But before long the price of phosphate collapsed. Togo's foreign debt exploded and reached one billion dollars. Since 1979, one debt rescheduling has followed another. The profiteers of that time have long since been home free with their loot, thanks to state guarantees of their own countries.... The private creditors have thus been replaced by states who extract interest and loan repayments from Togo. In Togo, those circles that raked in exorbitant sums of corruption money and were responsible for the wrong decisions taken are hardly the ones suffering from the debt burden. It is the population at large and the farmers [who] pay for the failed industrialization. (Gerster 1989: 26)

With a foreign debt equal to its national income, Togo was one of the first African countries to undertake a structural adjustment programme, in 1979. In 1991 the country was in the midst of its fourth such programme. Eyedéma in the 1980s became a favourite of the World Bank and the IMF because of his enthusiasm for market solutions and his apparent popularity.

But, in 1990, the myth was shattered. In October, only four months after the government had organized an anti-multiparty demonstration of 50,000 people, the security forces battled rioters in

Lomé leaving 17 dead and 170 in detention. The riots followed a brutal police action against demonstrators denouncing alleged kangaroo-court convictions of two political dissidents. Following a further week of demonstrations and riots in Lomé in March 1991, Eyedéma surrendered to the demands of the democratic opposition. He promised to move to a multiparty electoral system. However, by the end of 1991, Eyedéma was still using his personal control of elite forces in the army to frustrate his democratic opposition, organized into a 'national conference', and to manage an increasingly questionable transition to democracy.

Togo's experience demonstrates the perils of both an outward-oriented economic strategy and an unaccountable and self-serving regime. All the ingredients are present: oscillating world prices for the principal commodity export; foreign corporations eager for quick profits so long as their loans and investments are guaranteed; corrupt political insiders and civil servants; and an authoritarian government able to keep the lid on internal dissent (until 1990–1) and gain the backing of the international financial institutions. And, as usual, ordinary citizens, including the middle classes, foot the bill for the wrongheaded policies, mismanagement, and collusive deals.

To what extent can the development ideologies of the 1980s and 1990s account for the complex array of factors that brought the Togolese economy to its knees?

Accelerated Development in Sub-Saharan Africa, a report issued by the World Bank in 1981, shaped donors' thinking about development strategy in the 1980s as much as *Sub-Saharan Africa: From Crisis to Sustainable Growth* is doing in the 1990s. The Berg report (as the 1981 report is often called) recognized some internal 'structural' constraints upon growth – such as underdeveloped human resources, hostile climatic and geographic factors, and an unprecedented rate of population growth. It also acknowledged some external constraints in the form of such adverse trends in the international economy as stagflation in the industrialized North, high energy prices, the slow growth of demand in Africa's primary commodities, and, for several commodities, adverse terms of trade. However, having listed these impediments, the report pinpointed 'domestic policy deficiencies' and 'administrative constraints' as the chief culprit blocking economic progress by retarding market efficiency (World Bank 1981: 4.1).

On the basis of this analysis, the Berg report recommended a