

The Concept of 'Development'

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Rather than just debate whether there is an 'African capitalism' and whether it can be 'developmental' such questions are themselves rejected as meaningless. There is no satisfactory definition of 'development' that does not already imply 'capitalism', even on the most technological definition. Theories of underdevelopment thus beg the question. Moreover insofar as they offer justification for the 'logic' of socialism, they are focusing on utopian questions of its desirability, and not on the scientific and politically practical issue: that is, as capitalism develops, what social forces are being generated which can bring about transition?

For many years it seemed that the major debate within the analysis of underdevelopment was that between orthodox development theory — which took underdevelopment as an original state and addressed itself to the problem of how to wrest a country out of this state into one more closely resembling that of the advanced capitalist countries — and its Marxist or neo-Marxist critics — who took as their starting point the thesis that underdevelopment is a product of capitalist penetration. More recently, the assumptions which have underlain the Marxist analyses have come under discussion, and a variety of internal critiques have emerged. In particular, in his article on 'Imperialism and Capitalist Industrialisation', (*New Left Review* 81) Bill Warren launched an apparently head-on attack on the dominant thesis that imperialism prevents indigenous capitalist development and tried to establish that underdeveloped countries *are* undergoing a rapid process of capitalist industrialisation. The article not only contributed a series of potentially embarrassing statistics on the extent of this process, but explicitly rejected two of the more commonly held positions: that political independence is irrelevant to the pursuit of development because it cannot in itself threaten the underlying relations of exploitation and domination; and that the interests of imperialist countries are directly served by the maintenance of underdevelopment in the rest of the world. In opposition to the first position, Warren argued that political independence,

... permitted industrial advance by breaking the monopoly of colonialist power and creating the conditions in which Third World countries can utilize inter-

imperialist and East-West rivalries. Independence has been a direct cause (not just a permissive condition) of industrial advance in that it has stimulated popular pressures for a higher living standard where these have been a major internal influence sustaining industrialisation policies.

In opposition to the second, he suggested that whereas during the colonial period imperialism did use its political power to hold back the process of transition to capitalist industrialisation, in the post-war period imperialist countries have positively favoured economic development if only in a 'forward-looking strategy to contain revolution'.

Alongside this initiative have been a number of attempts to counteract the abstractness of some of the earlier analyses, by focusing more closely on the complexities of internal class structures and the different combinations of class alliances and conflicts which can emerge within specific countries. Arrighi, for example, in a discussion of Frank's work, has argued that it is the *internal class structures* of metropolises and satellites, and the contradictions produced within them, which are the dominant element in determining the status of a country as either metropolis or satellite, and its movement from the one category to the other. For him, and for many current analysts, these class structures do retain a certain autonomy, and are not wholly subordinated to and restructured by foreign domination. Leys, in his book on Kenya, has expressed similar reservations about the early Marxist analyses. He has rejected both the crude 'puppet regime' interpretation of independent African states, and the more sophisticated version which argues identity of interest between foreign capital and a 'comprador' bourgeoisie. Thus in the Kenyan example he has used Marx's conception of 'Bonapartism' to examine the contradictory nature of the current alliance between foreign and domestic capital, and rather than just assuming such an alliance has devoted much of his book to a historical analysis of the conjuncture which created the basis for such an alliance. In the present issue of *RAPE*, Nicola Swainson uses examples from Kenya to argue the potential independence of local capital vis-à-vis foreign capital, given the possibilities for employing state power to protect indigenous interests.

There is a danger however that this more critical assessment may ultimately amount to no more than the addition of qualifications or greater levels of sophistication to a fundamentally unchanged thesis. The discovery that there *is* a national bourgeoisie in Africa, that it is capable of accumulation, that it is *not* necessarily restricted to most obviously 'comprador' activities such as commerce or construction, could after all mean no more than that Africa will be able to achieve the same form of 'underdevelopment' as Latin America. Even Bill Warren's thesis, which represents a more radical threat, accepts for the purposes of argument the framework of underdevelopment theory. Despite a footnote which registers doubts as to the validity of such concepts as 'dependence', he seems basically to accept the argument that 'dependence' and 'development' are antagonistic, and merely challenges the claim that these countries *are* 'dependent'.

I would argue that the more fundamental problem facing current analyses rests within the 'development problematic' itself. Individual theses put forward by underdevelopment theorists can be, and are

being challenged, but we need to go beyond this and challenge the very framework of analysis. As long as we are operating within what is ultimately an *ideological* question — 'Can capitalism promote development, or does it necessarily produce underdevelopment?' — we will constantly come up against limitations imposed by the nature of the problematic.

Underdevelopment theory emerged as a critique of orthodox development theory — with its unquestioned identification of development with capitalist social relations, its confidence that 'backwardness' was a product of isolation from the world economy and could be eliminated through greater integration, its reluctance to consider the history of relationships between the 'advanced' and 'backward' countries as relevant to the explanation of underdevelopment — and as a response to the political problems posed by decolonisation and nationalist development strategies. But it also drew much of its significance from the theoretical problems which faced Marxism in the aftermath of the Second World War and the confusion of the 'long boom' of the 1950s and early 1960s. With the application of capitalist planning in the advanced capitalist countries and the apparently successful combination of full employment policies, social welfare provision and rising real wages it seemed to many commentators that capitalism was proving capable of resolving not only capitalist crisis but even the supposedly irresolvable contradiction between capital and labour. Marxism was apparently forced to relinquish the conception of capitalism as a mode of production whose contradictions express themselves in constant class struggle and recurrent crisis, and came to rely instead on the more abstract conception of the contradiction between capitalism and the needs of mankind. The rediscovery of the importance of the concept of alienation in Marx's thinking was one aspect of this transformation; the development by Baran and Sweezy (in their *Monopoly Capital*) of the thesis of capitalist irrationality and the 'waste' economy was another. Underdevelopment theory played a crucial role in this reformulation of the Marxist analysis of capitalism. By posing a contradiction between capitalism and development it opened up a whole new area for critique of capital and helped to fill the lacuna created by this reconciliation between capital and labour in the advanced countries.

From its beginnings — significantly in the works of Baran — underdevelopment theory has been linked to a form of 'Third-Worldist' politics, to the extent that it has accepted that the process of accumulation *can* proceed in the advanced countries in a relatively uninterrupted manner, and that the major locus of contradiction has now shifted to the underdeveloped countries. Samir Amin, for example, has recently re-affirmed this position. In *Accumulation on a World Scale* he explains the cycle of crisis-expansion-crisis, which had seemed endemic to capitalist accumulation, as a product of an imbalance between production and consumption — which with the development of monopoly capitalism can be resolved through state regulation and organised 'squandering' of surplus value. Prior to this regulation capitalism had appeared to be trapped in an irresolvable contradiction. If the rate of profit falls, further investment loses its attraction and thus surplus value can no longer be realised; if the rate of profit rises, the heightened inequality of income distribution ultimately restricts the consumer

market and again makes further investment unattractive. Except in its early phases, when the opportunities for expansion seem unlimited, capitalism is faced with a permanent problem of 'realising' the surplus-value, because of this imbalance between what is produced and what can be sold. But because for Amin, the central contradiction is one of *imbalance* — and not of contradiction between capital and labour — it is a contradiction which can be, and according to his analysis, since the Second World War has been resolved through capitalist planning. The state can effectively intervene to ensure realisation through spending on public services, military equipment etc., and thereby guarantee continuous accumulation. The important thesis which he derives from this — put most succinctly in *RAPE 1* — is that this development of the role of the state, and especially the management of consumption through the social contract, has made possible a non-contradictory, self-generating process of development in the centres. Class struggle and crisis can be managed out of existence — for the time being at least. The sole remaining contradiction which capitalism cannot and will not resolve is that between itself and development on a world scale.

There is something faintly anomalous about this thesis at a time when, to quote Frank, 'the *problem* of cyclical capital accumulation again appears as the order of the day'. But if we can leave this problem of the current crisis aside for the time being, the significance of such theses for the analysis of Africa is that they indicate the extent to which underdevelopment theories have emerged in response to an ideological problem of how to maintain the critique of capitalism in the face of its success in resolving its own contradictions. Amin poses the question 'Why has accumulation in the periphery not yet led to the development of completely autocentric capitalism?' One might respond that this is a wrongly posed question; it raises something as a possibility merely to show that it is unattainable within the logic of capitalism. What makes it an important question for underdevelopment theory is that by demonstrating the impossibility of this 'autocentric capitalism' they can establish the critique of capitalism as a solution to the problems of development, and thus the case for socialism. But to organise analysis around such questions will, I suggest, impose serious limits on our ability to comprehend what is taking place in the underdeveloped countries.

The Meaning of 'Development'

The first development analysts had been attacked for their uncritical acceptance of the term 'development' as synonymous with 'the development of capitalist social relations'. They had assumed that the term was non-problematic, and failed to acknowledge that it inevitably referred to development under specific historical conditions. As its solution to this methodological problem, underdevelopment theory has generally adopted the procedure of *explicitly* using the term to refer to capitalist development; hence the thesis — capitalism cannot even guarantee capitalist development on a world scale. In Frank's words, 'Economic development and underdevelopment are the opposite faces of the same coin. Both are the necessary result and contemporary manifestation of internal contradictions of the world capitalist system.' Here 'economic development' has a clear historical reference; it does not appeal to some supra-historical conception of progress, it refers to the characteristic features of the advanced capitalist countries.

Ostensibly then, the analysis sidesteps the methodological difficulties that would be involved in a rejection of capitalist development as not 'real' development, and rests on the argument that even that form of development is an impossibility. In practice, however, theories of underdevelopment have operated in a rather less precise manner. The 'development' against which 'underdevelopment' is conceptualised has tended to become an amalgam of different concepts, such that the theories are *partly* drawing a contrast between the process of development in the advanced capitalist countries and in the underdeveloped countries, but *partly* a contrast between development in the UDC's and an idealised process of development which would ensure 'maximum utilisation of resources' or the 'most rational allocation of surplus'. What emerges is an ideal type of 'normal capitalist development' which serves as a measure by means of which we can recognise underdevelopment, an ideal type which, as Bill Warren among others has pointed out, does not correspond to the actual process of development in most of the advanced capitalist countries. 'Normal development' involves for example, a fully autonomous national capital; it involves the elimination of pre-capitalist modes of production such as peasant based agriculture. The relatively uncontentious reference to capitalist development as it has occurred in certain specified countries is being combined with a much more ambiguous concept — perhaps 'the development of the productive forces' — but because the second concept is not explicit, the problems implied in it are not faced.

If the role of this conception of the productive forces were clearly acknowledged, as it is for example in Gavin Williams' recent book on Nigeria, which is organised around the contradiction between the social relations imposed by imperialism and the development of the forces of production, the difficulties in the term 'development' would become more apparent. In Marx's use of the categories, the 'social relations' and the 'forces' of production are two aspects of the mode of production — which can come into contradiction with each other, but which can never in any particular mode of production, be separated. To use his concept of the productive forces as a *measure* against which to analyse a process of social development would be to assume that it refers to something 'natural', asocial, which has an existence independently of any specific relations of production. It would be to assume that there is a *correct form* of the development of the productive forces, which is implicit in the concept itself, which pre-exists any specific historical society, but which can never be perceived because its course is constantly thwarted by the social relations dominant in the society. A materialist analysis demands a rejection of such assumptions, and thus poses serious difficulties built into the attempt to define 'development' and 'underdevelopment' in such a way as to distinguish 'real' from 'distorted' development. If we are dealing with questions like 'Has the penetration of capitalism destroyed or reproduced pre-capitalist relations of production?' then the categories employed are relatively straightforward, but how are we to deal with the question 'Has the penetration of capitalism 'developed' or 'underdeveloped' this country?'

Dangers of False Continuity

Aside from the conceptual difficulties, the question imposes a false

continuity, since only those changes which imply a 'development', however defined, can be recognised as constituting significant movements. In response to bourgeois theory, which has insisted on the dramatic importance of such moments as decolonisation in Africa, analyses of underdevelopment have tended to stress the underlying continuities behind the facade of political transformation. Of all the writers on underdevelopment, Frank is probably the one who has most stressed historical continuity. His work has been organised around the thesis that capitalism cannot provide for development in Latin America, since according to his conception of capitalist accumulation, development in one part of the world is premised on, and must generate underdevelopment in another. Frank's political objectives were two-fold: to attack the false conception that it is the persistence of pre-capitalist structures which account for underdevelopment, and to reject the development strategy based on this conception — the strategy of capitalist development led by the national bourgeoisie.

Thus the main emphasis in his historical analyses has been to demonstrate the very early penetration of capitalism in Latin America and to establish that the metropolis-satellite relations created by this are the source of underdevelopment. For him, the history of Latin America since the 16th century is essentially one of intensification or temporary weakening of these relations. There have of course been other changes — in the nature of the commodities exported, in the precise nationality of the foreign capital operating in Latin America, in the relations of production within agriculture and industry — but for Frank these are of subsidiary interest. The basic structure — of surplus extraction from satellite to metropolis — is unaltered. In his analysis of Chile, where he explicitly sets out to establish the continuity rather than the transformation, he constantly juxtaposes quotations from the different centuries in order to illustrate the fundamental similarities between the contemporary structures and problems of underdevelopment and those characteristics of 16th, 17th, 18th, 19th century Chile. In his discussion of Brazil, where he aims to study in more depth the historical transformation, he ultimately operates within the same framework. He contrasts, for example, the mercantilist era where the monopoly of the metropolis is based on its control of trade, the liberal era where it is based on its dominance in industrial production, the early twentieth century where it is based on its dominance in the production of capital goods, and the later twentieth century where the monopoly of the metropolis comes to be based on its technological dominance. The changes in the end are largely formal, in that they leave untouched the invariant metropolis-satellite domination. There is no discussion of transformations within the world capitalist system which may have radically restructured relations between advanced capitalist countries and the rest of the world; no discussion for example of the theses put forward by Lenin and others in the early years of the twentieth century on the transformation of capitalism into monopoly capitalism, and the consequential modifications in relationships between nation states. There is no point of entry for the distinctions suggested by Laclau in his discussion of Frank (*New Left Review* 67) between the very different pressures towards expansionism which may operate at different phases in the history of capitalism, forcing at some periods a penetration of pre-capitalist modes of production to offset a rise in the organic composition of capital, and

yet at other periods reducing these pre-capitalist modes to a completely peripheral role in capitalist accumulation. In these early writings — which have had such widespread impact on the analysis of underdeveloped countries (UDCs) — Frank assumes that the capitalist world economy will always take the form of a series of metropole-satellite relationships, the only differences being movement of individual countries from the one category to the other, and occasional strengthening or weakening of particular metropole-satellite relationships.

This neglect of periodisations which may be crucial to the understanding of the role of UDCs in the world economy, cannot be dismissed as simply an inadequacy in Frank's first analyses. The tendency is implicit within the development problematic itself. If the object of enquiry is to investigate the relationship between capitalism and development/underdevelopment, if the question is whether or not capitalism can allow for an idealised 'development', then those changes which cannot be characterised as constituting development will inevitably be minimised. For example, Warren's statistics on the expansion of manufacturing industries in so-called underdeveloped countries represent a very weak argument against the underdevelopment theorists. To produce figures on industrialisation and suggest that this implies 'development', to recognise, as he does, 'the backwardness of their agriculture and its consequence; the unevenness and imbalance of their economies' as the most immediate problems facing underdeveloped countries, and then set these problems aside, is hardly to establish a watertight case. Within the development problematic, Warren has proved nothing; the changes he points to can be readily dismissed as not involving 'real' changes in terms of development. The danger of course, is that the significance of this rapid industrialisation — or of the very substantial export of capital in recent years to parts of South East Asia — may be overlooked, because it can be shown to have no relevance in the argument against underdevelopment theory.

A more complex example of the manner in which the development problematic imposes a false continuity can be found in the writings of Samir Amin. It cannot be said of him that he pays no attention to historical transformation within capitalism. He does perceive and emphasise changes in the relationships between advanced and underdeveloped countries. In particular, he has argued that the post-war period has witnessed a marked diminution in the role of the peripheries in capital accumulation. In the pre-planning days of capitalism, the peripheries could play a crucial part in counteracting cyclical crisis — by providing markets for the excess consumer goods which the perennial imbalance between production and consumption has created in the centres. In the present period he sees capital as able to resolve this imbalance through a co-ordinated 'deepening' of the capitalist market within Western Europe, and so it no longer relies on the spatial expansion of the markets through further and further penetration of the peripheries. These have become quite simply 'peripheral' at the present conjuncture — though they may well emerge with a new role within a new form of international specialisation at some later date.

But significantly, Amin is not able to integrate these observations with his overall assessment of the necessary interest which capital has in

underdevelopment. Generally he wants to insist that 'primitive accumulation', the transfer of value from pre-capitalist to capitalist modes of production, is what characterises accumulation on a world scale. He accepts Emmanuel's thesis of 'unequal exchange' between the centres and peripheries due to the disparity between wages in the centre and wages in the periphery — which is made possible by the persistence of pre-capitalist modes of production which provide a continual subsidy to incomes in the capitalist sector. Higher rates of surplus value can be extracted in the peripheries, because of this subsidy to wage rates, but given the tendency of the rate of profit to equalise on the world level, these higher rates are ultimately siphoned off to counteract the lower rates in the centres. Thus 'analysis of accumulation on a world scale shows that this accumulation always takes place to the advantage of the centre, it is not the advanced countries that supply capital to the underdeveloped ones, but vice versa.' More than this, Amin argues that this transfer of value represents, in principle at least, the primary mechanism for counteracting the contradictions of capitalism.

The essential increasing contradiction of the system is expressed, in fact, in the tendency of the rate of profit to decline. On a world scale, there is only one way to counter it; increase the rate of surplus value. The nature of the formations in the periphery makes it possible to increase this rate there much more than at the centre. Consequently, in relative terms, the proletariat of the periphery suffers an increasing degree of exploitation as compared with the proletariat at the centre.

Up to this point, Amin is essentially following Emmanuel's analysis; where he differs is in registering that the transfer of value which occurs through the mechanisms of unequal exchange is in fact of 'marginal significance' for the centres. Even more radical, the peripheries are for the time being irrelevant to the demands of capital accumulation. So we are told on the one hand that the exploitation of the proletariat of the periphery is more advantageous to capital than the exploitation of the proletariat of the centre, and are shown on the other hand that capital for the time being has no interest in the peripheries. For Amin, the apparent contradiction is resolved via his underconsumptionist theory of crisis. He can insist that exploitation in the peripheries offers the best prospects for raising the rate of surplus value, and *then* remind us that raising the rate of surplus value is merely one of the ways in which capital can resolve its fundamental problems — which for him, are the problems in ensuring the realisation of surplus value. In the era of monopoly capitalism, capital has developed a more effective, and less contradictory means of resolving this problem — i.e. the organised 'squandering' of surplus value:

The system cannot function unless surplus value is wholly expended, whether it be invested or 'squandered'. If the tendency of the rate of profit to fall is such that the prospect of investment has lost its attraction, all that remains to the capitalists is either to overcome this fall in the rate of profit or else to 'squander' the surplus value. In order to overcome the fall in the rate of profit they can either try to increase the rate of profit at home — in the centre — or seek sources of investment elsewhere — in the periphery — that will show a better rate of profit. Increasing the rate of surplus value however — whether at the centre or the periphery — aggravates inequality in the distribution of income and deprives investment of its outlet. The contradiction between society's capacity to save and the possibility of profitably investing new capital, the outlet for which lies in current consumption (with a rate of growth less than that of accumulation) becomes more intense. All that is left to do then is to 'squander' surplus value.

Thus by means of a classical underconsumptionist argument, Amin is

able to maintain simultaneously that capital benefits most from the preservation of pre-capitalist modes of production in the peripheries, *and* that capital is more interested in investments in the advanced capitalist countries. To the extent that it *is* seeking to raise the rate of surplus value, then the mechanisms of 'primitive accumulation' are argued to be more advantageous than the more restrictive forms of pure capitalist exploitation to which it is limited in the centres. But as it happens, capital is for the time being more concerned to squander its surplus value than to extract it.

Here again, we see a continuity in the relationships between developed and underdeveloped countries being re-affirmed, in the face of apparent transformations of these relationships. 'Primitive accumulation' is, as it has always been, the main mechanism of accumulation on a *world scale*; it remains the most effective means of raising the rate of surplus value. Capitalism is, as it has always been, inimical to the development of the peripheries.

A less contorted solution — and one which moreover avoids the dangers of underconsumptionist analyses — is possible. We can argue, as Marx does, that forms of accumulation which depend partly on pre-capitalist means of appropriation are indeed 'primitive' — not merely in the sense of being historically prior, but more importantly in the sense of being less effective forms of exploitation. Just as capital begins a new era of expansion when it moves beyond the cruder forms of exploitation embodied in the lengthening of the working day, into the more sophisticated realms of increasing the intensity and productivity of labour, so in its transition from 'primitive' forms of accumulation to exclusively capitalist forms, it opens up possibilities for unparalleled extraction of surplus. That any area of the world should remain outside capitalist relations of production represents limit to the future expansion of capital. In so far as 'underdevelopment' implies the persistence of pre-capitalist modes of production, and a resistance to capitalist relations, this must constitute a serious obstacle to capitalist accumulation.

But in order to be able to pursue this argument, the development of capitalism has to be seen both as discontinuous and as self-contradictory. It has been adequately established that the characteristic features of underdevelopment were formed through the impact of capitalism. Thus in order to suggest that these characteristics constitute obstacles to further expansion of capitalism, we must be able to perceive capitalism as proceeding through different phases — and to perceive moreover, that conditions created during one phase may come to present problems for a later phase of development. Yet it is precisely this assumption — of capitalism as contradictory — which was rejected by early underdevelopment theory. The insistence of the previous Marxist tradition on the necessary internal contradictions of capitalist accumulation, which, in the crudest versions, were seen as leading to inevitable collapse, has been entirely displaced by the more abstract, and much more moralistic thesis of the contradiction between capitalism as a whole and the needs of mankind. Amin, in a response to his critics, explicitly rejects the 'religious and reassuring vision of an apocalyptic catastrophe; of a golden age realised miraculously at one blow'. He accepts that the implications of his own thesis are that capitalism 'can

work', but sees this as more realistic and politically sound than the alternative. The choice however is not so stark. It is possible to reject the bland complacency of the Second International without adopting the proposed alternative of a non-contradictory capitalism, whose only weakness lies in its inability to provide for worldwide 'development'.

The post-war development initiative

It has become commonplace to explain away the apparent commitment to world development exhibited by representatives of the advanced capitalist countries in the post-war period as a political initiative to disarm criticism from the new nationalist governments. Certainly, there is some basis for this. The political fragility of colonialism was being constantly exposed in the years preceding the Second World War. New social forces were emerging which could not be integrated within the old pattern. To consider only the African colonies, where nationalist agitation and political disturbances were generally less extensive than in other parts of the colonial empires, Governors were confronting problems which promised to intensify rather than diminish over the years. The wars of conquest had been won; the resistance of the pre-colonial ruling groups had been effectively crushed or channelled; but the extension of commodity production and the introduction of capitalist relations of production were creating entirely new dangers. In West Africa a substantial African petty-bourgeoisie had established itself, which demonstrated its potential as a political force in the cocoa hold-up of 1937. In East Africa a proletariat was finally emerging, and in the context of world depression and mass unemployment in the advanced countries, was viewed with growing disquiet. These anxieties were most clearly articulated in Orde Browne's *African Labourer* (1933), which investigated the problems attached to the development of wage labour. As Lord Lugard summed it up in his introduction:

... the problem of today is to ensure that service with Europeans shall not result in the premature disintegration of native society. For the illiterate worker who has lost faith in the approval or anger of his forebears, who has renounced his tribal loyalties and his claim to a share in the family or clan land and the ready help of his fellows in time of need, has now no motive for self-control and becomes a danger to the state.

But significantly, the perspectiveness as to the dangers inherent in a process of proletarianisation were not matched in this period by an ability to formulate solutions. Orde Browne's proposals centred around the need to 'retain the connection between the worker and the land', thereby ensuring alternative support in times of unemployment or during retirement, and simultaneously reducing the risks of declining respect for tribal authority – thus (hopefully) making the wage labourer less 'responsive to any agitator or trouble-maker'. In other words, the solution was to slow down the formation of a proletariat, by reliance on wage labour, by restrictions on the length of each period of wage labour, by 'repatriation' of unemployed workers to their original village community. Such policies were indeed followed – as for example in the pass laws operated in the Zambian mining areas, not repealed until 1960 – but they indicate so clearly a last-ditch stand against tendencies which would in the end overwhelm them, as to suggest the absence of a long-term strategy rather than a genuine solution. In the very period in which these 'policies' were being discussed, a proletariat was beginning to emerge in West Africa as well, where hitherto the emphasis on petty

commodity instead of capitalist production had seemed to offer a less politically explosive means of expanding the production of cash crops. By the thirties, the tendency towards class differentiation within the African peasantry, combined with the collapse of world prices for raw materials which ruined so many small commodity producers, had produced precisely the situation which colonial governors had hoped to avoid — a class of Africans who had little future except through wage labour, but no wage employment for them to enter.

Against this background, it is clearly possible to see the post-war development initiative as forced on the advanced capitalist countries. The colonial framework could no longer contain the political forces which it had itself brought into existence. A new framework had to be found, and what better than that provided by the ideologically neutral espousal of 'development'? As Colin Leys has shown in his cast study of Kenya, a new basis for *collaboration* between African and European interests had to be formulated in the years preceding independence, and the commitment to *development* operated as the cornerstone for this alliance.

It may well be, then, that the widespread acceptance of development as a legitimate objective, and the subsequent acknowledgement of a responsibility on the part of the advanced countries for aiding this process, can be interpreted initially as no more than a response to the political crises of the colonised countries. But this in no way undermines the argument that the development initiative was necessary as a means to overcoming obstacles to the further accumulation of capital. Paradoxically, the initiatives into which capital is forced as a response to class struggle can provide the impetus for breaking constraints which capital has imposed on itself, and thereby allow for a new phase of expansion. Marx in *Capital* Vol.I gives one example of this process in his discussion of factory legislation in nineteenth century Britain. The agitation for the restriction of the working day, which resulted in regulations which limited the possibilities of further increases in absolute surplus value, forced capital into a higher phase of development.

In a similar way, the agitation which finally forced the development initiative on capital provided the necessary impetus for breaking the constraints of the colonial period. One of these constraints has already been indicated — the inadequacy of the political framework of colonialism to the task of creating a proletariat. Without a proletariat, the development of capitalist production is clearly impossible; but without the appropriate political forms which can guarantee either its repression or its integration, the creation of a proletariat is scarcely desirable. Responses to this problem varied from one administration to another, but as underdevelopment literature itself suggests, one generally adopted solution was to promote the emergence of a *semi-proletariat* — the 'marginalised masses' discussed by Amin.

Moreover, the world context within which the colonial state was situated was such as to reinforce, rather than resolve, this ambiguity towards the expansion of capitalist relations of production. In the period of capitalist development which produced colonialism, the basic framework for the accumulation of capital was provided by the nation-state. The limits on expansion were ultimately given by the

relative strength or weakness of each national economy. One of the clearest examples of this relationship is the rate of interest. Within the structure dictated by the Gold Standard, the rate of interest on loans depended on the level of gold and foreign currency reserves held by the nation in question; high interest rates were necessary when the overall balance of payments produced a deficit, since only high interest rates could bring forth the foreign loans required to resolve the problem; low interest rates were possible only when the balance of payments produced a surplus. The significance of this is clear; satisfactory conditions for accumulation (e.g. low rates of interest) depended on the successes of the nation state in its competition with other nation states. As Keynes put it:

Never in history was there a method devised of such efficacy for setting each country's advantage at variance with its neighbours as the international gold standard. For it made domestic prosperity directly dependent on a competitive pursuit of markets and a competitive appetite for the precious metals.

Whether capital itself was national or international in origins or activities, it had to subordinate itself to the interests of the nation state in its struggles with other nations, since it was the outcome of this struggle which ultimately decided the conditions for accumulation.

In relation to the underdeveloped countries, this meant that the prospects for a thorough-going onslaught on pre-capitalist relations of production were severely limited. Where 'development' programmes were discussed, they were perceived in strict association with the needs of the national economy. Thus in the case of Britain, the most ambitious schemes for colonial development were until the post-war period restricted to the strategy put forward by Joseph Chamberlain — a strategy of developing 'our colonial estates', so as to expand the supply of raw material and markets for *British* manufacturing, a strategy which was radical only to the extent of demanding direct state investment instead of a reliance on private capital. When loans or grants were provided for colonial development, the main concern was that the money should find its way back to Britain in the form of contracts for railway stock or building equipment.* And at the slightest hint of recession, any development plans would be radically retrenched, so as to ensure that whatever else came about, at least there would be no deficit in the balance of payments.

So the structure of the world economy peculiar to this period imposed certain restraints on the development of capitalism throughout the world — restraints which were necessary within this historical structure, rather than dictated by the eternal logic of capitalist accumulation. The post-war development initiative has to be set within this context, and not dismissed as a devious plot to maintain the co-operation and submission of nationalist leaders. It represented a serious attempt to transform the role of the underdeveloped countries, to open them up to capitalist relations of production.

The attempt has not of course been widely successful. Many of these

*See in this connection the case of the Sierra Leone Development Corporation in *Briefings* — Eds.

countries are indeed trapped in a cycle of self-generating 'underdevelopment', the various mechanisms of which have been studied in some detail by underdevelopment theorists. The intention here is not to challenge specific theses on the characteristics of this cycle, or to deny its existence. Nor is it the intention to suggest that capital can and will provide for 'development' as defined by underdevelopment theory. The point is rather to stress that the features characteristic of an underdeveloped country can be seen as presenting obstacles to capital as well as to the inhabitants of the country; they can be seen as products of capitalism without forcing the conclusion that they are currently in the interests of capitalism. Capital may not be able to solve this problem for itself; and certainly it will *not* solve it by providing the internally-balanced, self-sufficient, autonomous 'development' which underdevelopment theory demands. It seems obvious that the development of capitalism on a world scale could not take the form of reproduction within each nation state of that form of development experienced by, for example, Britain. The tendency towards internationalisation alone, which has transformed the role of the nation state from that which it played in the 18th and 19th centuries, would make this impossible. And if the first development theorists had not operated within this very naive assumption, thus setting the terms of argument for critical underdevelopment theory, it might not have been necessary to devote so much time to demonstrating the obvious.

Conclusion

Having defined its task as that of 'proving' the inability of capitalism to solve the problems of mankind, underdevelopment theory has limited itself to establishing that ideal development cannot occur under capitalism. In pursuit of this objective it cannot perceive or fully analyse what *is* occurring. Most crucially, it cannot provide us with the means to comprehend the peculiarities of the post-war era — the sudden interest in 'development', the changing role of capital in underdeveloped countries, the rapid industrialisation now taking place in some areas. None of these changes amount to 'development' and thus none of them can be deemed significant within the confines of underdevelopment theory. Our understanding of the process of world accumulation is obscured rather than aided by the introduction of the question 'Can capitalism promote development or does it necessarily produce underdevelopment?'

The most serious consequences however, are the political ones. For the purposes of argument, underdevelopment theory has accepted uncritically the notion of 'national development' as the goal. It was put forward in this form by bourgeois theory, offered as an apolitical concept which transcended class interests. Underdevelopment theory tried to take up the argument on its own terrain — allowing for the time being that 'national development' was non-problematic, and only subsequently introducing class analysis through the argument that capitalism cannot provide for development. Thus the 'nation' as a unit of analysis was given credibility, as was the notion of 'national interest' or 'national-problem'. National capital has been given the opportunity to put itself forward as representing the 'national interest' and has been ultimately rejected, not because it is *capital*, but because it is unable to be sufficiently *national*.

In this way socialism is posed in purely ideological terms. It offers a solution to problems which capitalism cannot resolve. We are faced with an opposition between two paths of development, one of which allows for only 'dependent' development, the other of which allows for rational employment of resources for the most rapid solution of the nation's difficulties.* Despite the intentions of underdevelopment theorists — and from the works of Frank onwards a major objective has been to combat the conception of development based on a progressive national bourgeoisie — a notion of socialism is able to emerge which could be little more than a series of enlightened planning policies put into practice by the existing governments. Or alternatively, if it becomes clear that existing governments *can* introduce policies which can make possible a more rational employment of resources, then the whole 'case for socialism' (which has been based precisely on the impossibility of this) simply collapses. Hence the horror which greeted Bill Warren's intervention. If the necessity of socialism lies in the impossibility of a capitalist solution to the problems of national development, any suggestion that there may be a capitalist solution seems to be establishing a 'case for capitalism'.

Socialism has become then, something which is 'chosen' for its superiority over capitalism, rather than an outcome dictated by the balance of class forces and the dynamic of class struggle. The arguments centre on why it is necessary, not on whether it is immediately possible. And consequently, detailed analyses of the nature and focus of existing class struggles are few and far between, while analyses of the relationships between national and international capital are in abundant supply. Thus for example, as Lamb pointed out in his review of *Underdevelopment in Kenya* in *RAPE 3*, Leys' analysis concentrates in some detail on the conflicts and alliances between foreign and local capital, but generally neglects the analysis of the oppressed classes, and the nature of their struggles. Underdevelopment theory emerged from an assumption that class struggle had disappeared, temporarily at least, in the advanced capitalist countries, and it has in the end allowed class struggle to disappear entirely from the picture.

In order to produce a clear analysis of the development of capitalism in Africa, we need to be aware of these dangers. The questions should not be posed in terms of whether or not an *African* capitalism can establish itself, or whether African capital can break free from its alliances with foreign capital. The most crucial questions should be those which raise issues about the nature of the class forces developing within Africa — Can capitalism destroy pre-capitalist relations of production? Is a proletariat emerging within Africa? Is the nature and focus of class conflict changing?

Bibliographic Note

Full references to the major works cited in this article are given in the bibliographic notes to the articles by Kennedy, Swainson and Kitching which follow.

*One of the clearest examples of this approach is in Julius Nyerere's 1973 statement *Socialism, the Rational Choice* — Eds: