

# **Neo-Liberalism and the Relevance of Marxism to Africa: The Case of Zambia**

**By**

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## **Introduction**

The economic crisis currently confronting African countries has led to an almost universal embrace of neo-liberalism, both in terms of explanation of causes and as a solution. At the core of neo-liberalism is the assumption that the crisis can only be understood within the context of the role of the state and the functioning of markets. In short, the neoliberal paradigm posits that the fundamental explanation responsible for the economic crisis in African economies is the excessive state regulation of the economies which, among other things, distorts the process of economic development and leads to inefficiency in the allocation of economic goods. It is further argued that this situation can only be overcome through the reduction in the role of the state and allowing market forces a free reign in the allocation of resources (Dibua 1998).

The international financial institutions (IFIs) have become the primary instruments for the implementation of the neo-liberal agenda in Africa. The neo-liberal prescriptions are embodied in the stabilization and Structural Adjustment Programs (SAPs) of these institutions. There is no doubt that the worsening economic crisis in Africa, particularly the unsustainable debt burden, has created the opportunity for the Western capitalist nations and the IFIs to collaborate in imposing neo-liberal policies on African countries. For example, both the I.M.F. and the World Bank demand that African countries adhere to the implementation of stabilization and adjustment programs before they can obtain loans from these institutions or have their debts rescheduled or forgiven.

Confronted with poor terms of trade with developed capitalist countries occasioned by the unfair trade practices and unequal terms of trade and protectionists tendencies, majority of African countries south of the Sahara have been forced to embrace neoliberalism as a panacea to their debilitating economic problems. It is important to note that externally imposed neo-liberal policies have been portrayed as the only credible solution to the African crisis. In spite of the fact that for almost two decades the implementation of structural adjustment has resulted in the worsening of the economic crisis of African countries the proponents of the programs insist that there are no alternatives to them. Even when they acknowledge some of the flaws of SAPs (Stiglitz 2002), they instead place most of the blame on African countries, which are accused of either not having the “political will” or creating “the enabling environment” necessary for the successful implementation of the programs (World Bank 1989; Hussain and Faruqee 1994).

However, while the adverse impacts of structural adjustment have made it difficult for even the most optimistic proponents to ignore their shortcomings and have clearly exposed their inadequacies, the question of their relevance has remained contentious. Some proponents have continued to blame internal factors for the failure of structural adjustment programs. They have insisted, for example, that African countries are so “hemmed in” (Callaghy and Ravenhill 1993) or so “lost between the state and the market,” (Callaghy 1994) that they have no credible alternative to SAPs. There is now a kind of acceptance among liberal scholars and policy-makers that the absence of an alternative to structural adjustment is an ideological triumph of neo-liberalism throughout the world, (Biersteker 1992), a situation which Francis Fukuyama has described as ‘the end of history’ (Fukuyama 1991).

What then has happened to the socialist alternative, especially the one informed by the works of Karl Marx and V.I Lenin? There is no doubt that socialism in Africa is on the retreat. The collapse of the former Soviet Union in 1989 and the apparent economic triumphalism of neoliberalism dealt a death blow to a credible discourse on socialism, especially Marxist socialism. Everywhere Marxism and socialism came to be associated with vanguardism, authoritarianism and excessive state intervention. Admittedly, many African dictators used the language of Marxism and socialism to deny their people basic freedoms and indulged in excessive and wasteful spending of state financial resources, including suppressing of their own people in the name of workers’ or poor people’s power and looted the treasuries of their countries by stashing funds in foreign bank accounts. Many met with brutal and violent overthrow at the hands of pro-democracy and pro-reform movements and have had to flee the country of face certain death or prosecution for excesses against their own people (Southall, R and Henning 2006). While applying the neoliberal option, the economies collapsed under the weight of widespread state corruption and cronyism. Can Africa be said to be a worse case scenario of economic development?

Globalisation has exposed a fundamental flaw, which is that there is no relationship between the nature of the political system and its ability to adapt to economic realities. China and Cuba are good examples of socialist countries that have survived capitalist isolationist policies. While China has been embraced as a legitimate trading partner when there is evidence of a poor human rights record, given its acceptance of a market economy within the framework of socialist political system. On the other hand, Cuba has continued to suffer all forms of sanctions and economic isolation, mainly to discredit the success of a socialist experiment at the backyard of the citadel of world capitalism, the United States.

This paper discusses the policies of neoliberalism in the context of Africa and argues that this economic paradigm has failed to provide the panacea to poverty and underdevelopment. It will be argued that neoliberalism exacerbates poverty and inequality and achieves the opposite of what it claims to do. Using the example of Zambia we argue for the relevance of Marxism as a robust theory and critique of capitalist development that points to a socialist future, a future which can be constructed based on concrete realities in specific countries and need not take a doctrinaire approach. We also suggest that Marxism can offer a counter discourse to neoliberalism in Africa and challenge the current view that there is no alternative (TINA).

### **Neo-Liberalism in Africa**

The economic crisis which confronted African countries by the 1980s was blamed by the IFIs, Western creditor nations and neo-liberal scholars on factors internal to these countries. In the main the crisis was attributed to excessive state regulation of African economies which, as far as this argument goes, did not create the necessary condition for the proper operation of market forces. Others postulated that this situation contributed to widespread corruption and the inefficient allocation of resources, as the African political elite saw the state as an arena and source of power, status, rents, and other forms of wealth (Bayart, Ellis and Hibou 1998; Chabal and Daloz 1999).

The other reasons for economic failure of African economies identified by liberal scholars include, the over valuation of local currencies, state regulation of the import licensing system, subsidization of oil products and various social sectors of the economy, inefficient state-owned enterprises, and corruption. It has been argued, for example, that because African governments arbitrarily fixed the value of their currencies, they were overvalued and this led to a situation where imports were cheaper than exports. The outcome was that African economies were highly dependent on imports and this created serious balance of payments deficits.

Moreover, import dependency had the effect of promoting an excessive demand for import licenses by African entrepreneurs. Since the allocation of import licenses was often controlled by government officials, this resulted in corruption, bureaucratic red-tape and inefficiency. Issues like cronyism in the allocation of import licenses rather than the actual needs of the economy and over invoicing became the order of the day. This discouraged both local and foreign businessmen from investing in African economies and, in some instances, even resulted in capital flight. This practice which Bates (1984) refers to as a rational response by African states motivated by the desire to purchase votes and stay in power became the *raison d'être* of economic policy making in Africa had dire consequences. Economic failure was attributed to excessive state intervention.

As for state-owned enterprises, the argument was that since governments were bad economic managers, the enterprises were inefficiently managed, riddled with corruption and constituted a drain on resources, given their reliance on government subsidies in order to continue operating. Also emphasized were various forms of corruption like bribery and outright embezzlement of resources by government officials. In short, it was claimed that the primary cause of the economic crisis was over regulation of the African economies, which did not allow the free interplay of market forces to efficiently allocate resources (Killick 1984; World Bank 1981).

As would be expected, given the reasons which the IFIs attributed for the crisis, the centre piece of these programs was the reduction in the role of the state through a reliance on market forces. The conditionalities were, at least in the initial stage, primarily economic and were to be applied rather uniformly and mechanically by various African countries, regardless of prevailing situations in each country. Indeed both the stabilization and adjustment programs were expected to be mutually reinforcing. Increasingly, there was a convergence between the IMF and World Bank in their approach to lending and imposing conditionalities. In particular, both bodies, together with Western creditor nations, established similar conditions which African countries had to adhere to before obtaining loans and debt rescheduling agreements.

Devaluation of local currencies is another policy area that occupies a central position in adjustment policies. It is considered crucial for ending import dependency in Africa while at the same time promoting an export orientation. The argument is that the over valued nature of African currencies led to a situation where imports were considerably cheaper than exports, thereby encouraging massive importation of various goods, with many of them being irrelevant consumer and luxury goods, while discouraging production for export purposes. Closely related to devaluation is the policy of trade liberalization. Proponents of neoliberalism have argued that by removing all the bureaucratic controls over the foreign exchange markets, African entrepreneurs would be able to import the necessary inputs for their industries while more foreign investments would be attracted into the continent. However, the experience of the World Trade Organisation (WTO) Doha round of negotiations, suggests that the world trade and import regimes remain structured in favour of the developed capitalist countries that have imposed restriction on Third World imports to enter their markets. On the other hand, imports from developed capitalist countries have had unfettered entry into African markets.

The other related policies are those of reduction in public expenditures and the privatization of public enterprises. The idea behind the demand for cutting public expenditure is based on the argument that the huge subsidization of state enterprises and social services, such as health, education and social infrastructures constitute a large drain on the resources of African countries while at the same time benefiting only the urban elites to the detriment of the rural dwellers, who need to be encouraged to increase their agricultural outputs. In the case of the privatization of public enterprises, the argument is based on their poor performance necessitating regular subsidies which constitute a further drain on government resources. Privatization, it is argued, would expose these enterprises to market determined competition and therefore make them operate more efficiently if they want to remain in business.

According to Mkandawire (1994) privatisation is intended to achieve three things: (1) to contribute to the bridging of the fiscal budgets and rationalization of public finances by unburdening African economies of overextended and corrupt state and parastatal structures that have putatively wrought havoc on public finances; (2) to contribute to greater efficiency in the allocation of resources, to generate less inflationary pressures, to stimulate more competitiveness of African economies; and (3) to free both domestic and foreign private capital from corrupt and inefficient bureaucracies so that it can be productively engaged in those activities that has thus far been monopolized by the state or has been off-limits to the private sector. The experience in most African countries reveals that the aims of privatisation have rarely been met, apart from the the costs of dismissing thousands of workers, without adequate social security and income, the process of privatisation was manipulated to favour state elites or their cronies. Further, in other instances, as in the case of Zambia, the major sectors of the economy, such as mining were sold to foreigners, who had a free reign on how they operated, by determining whom they employed or where they sourced their materials.

In addition, the neoliberal strategy also envisaged that by abolishing government control and direct participation in the marketing of agricultural products, by removing the role of the marketing boards, would increase rural incomes. It was assumed that this would encourage increased production for exports by the rural dwellers. Callaghy (1994) makes the point that the “the primary thrust of these economic reform efforts is to more fully integrate African economies into the world economy by resurrecting the primary-product export economies that existed at the time of independence and

making them work right this time by creating a more ‘liberal’ political economy.” Callaghy (1994) has referred to this as ‘back to the future’. This observation underlies the project of neoliberalism, which is to fully integrate African economies into the world capitalist economy. This is where a Marxist analysis may be relevant in exposing the true intentions of a capitalist project in Africa, as aimed merely at facilitating economic exploitation than promoting sustained economic development.

The experience of neoliberal policies in sub-Saharan Africa over the past two and half decades has almost been uniform. Apart from very few exceptions, such as Angola and Mozambique, which have seen large increases in economic growth in excess of 8 percent per annum, on the whole the policies have played havoc on African economies. Trade liberalisation has led to the flooding of local markets with cheap imported goods thereby ruining local producers. Privatisation of state-owned enterprises was in the main poorly handled, with corruption and cronyism influencing the decisions. Few of the privatised industries have survived the competition of a fully-fledged market economy. Whereas the operation of the market has not been left to have a free reign. To cushion local business from stiff competition and shelter newly privatised companies, state elites have imposed forms of regulations and tempered with the operation of the laws of supply and demands. The other effect of privatisation has been an increase in number of the unemployed and poverty levels.

There is now almost a universal acknowledgement that neoliberal policies have not helped redress inequality and end poverty and underdevelopment in Africa. Public opinion surveys across Africa seems to suggest that support for market reforms among Africans is mixed, with a majority opposed to neoliberal policies and finding them not beneficial to improving their lives or only serving the economic interests of a few, especially those in power (Bratton, Mattes and Gyimah-Boadi, 2005: 19-23). The experience of Zambia will show how the adoption of SAPs in the 1980s and 1990s, helped exacerbate the economic crisis and how the economy has been ‘restructured’ to benefit a few and the attendant contradictions within the logic of economic reform.

### **Neoliberalism in Zambia, 1980-2005**

In the last two and half decades, the working masses of Zambia have waged massive struggles that have shaken the roots the post-colonial authoritarian state and its vicious neo-liberal agenda, which has caused immense suffering to the ordinary people. The struggles mirror similar events that have swept aside entrenched regimes in other periphery capitalist states like Kenya, Nigeria and Ivory Coast. The struggles in Zambia raise fundamental questions about the possibilities of socialist revolutions in periphery capitalist societies. The working-class resistance against first the United National independence Party (UNIP) and later the Movement for Multiparty Democracy (MMD) governments has been weak and shallow compared to other parts of the continent.

Following independence on 24 October 1964, the Zambian nationalist leadership adopted social welfare policies partly to redress the imbalances created by colonialism and also partly as a wider socialist ideological orientation of the new government. Influenced by the anti-imperialist and anti-capitalist ideological rhetoric of first Ghanaian president Kwame Nkrumah and Tanzania’s Julius Nyerere, Kaunda crafted the philosophy of Humanism. This ideology based on the centrality of the individual provided rationalisation for state intervention into the economy through nationalisation of private property and provision of social welfare services, such as education and health to all Zambians. By the end of 1979, over 80 percent of the Zambian economy was under state control.

For the first ten years Zambia experienced rapid economic growth averaging 8-10 percent per annum. The country had huge foreign reserves; foreign exchange receipts were high and copper prices were high and stable, while the trade balance was positive. However, towards the mid-1970s, the economy went into serious crisis occasioned by the collapse of the copper prices on the world market and the increase in oil prices. Zambia’s foreign exchange reserves were exhausted within a few months as the cost of importing petroleum products soured and exacerbated by the use of alternative trade routes following the Unilateral Declaration of Independence by Ian Smith in Rhodesia. On the other hand, foreign exchange receipts from copper sales were inadequate to stabilise the economy.

In 1976, Zambia obtained a World Bank structural adjustment loan. In 1978, the country sought assistance for a stabilisation package from the IMF, with an extended facility from 1980-1983. The adoption of IMF/World Bank policies required acceptance of conditionalities, such as removal of subsidies on basic foodstuffs, liberalisation of the exchange and interest rates, removal of import controls and liberalisation of prices. The impact of the IMF/World Bank measures have been discussed by various scholars (Fundanga 1988; Sano 1988 and Wulf 1988) and need not detain us here. Suffice to mention that all these measures ran against the logic of a state controlled economy and were initially resisted. But as the legitimacy of the regime declined, especially with the food riots of December 1996 and massive strikes by workers, government had to reach accommodation with the IMF/World Bank (Simutanyi 1996). Zambia's unilateral withdrawal from the IMF in April 1987 was to prove disastrous as creditor countries connived to starve Zambia of foreign funds, thereby worsening living standards and provoking workers to link economic problems to political mismanagement and the one-party system

As the adoption of multiparty system became a political conditionality to accessing IMF/World Bank loans after 1989, Zambia was to join Kenya and Ivory Coast in adopting a two-prong process of political and economic reforms. The workers' opposition to structural adjustment in Zambia found expression in the formation of the Movement for Multiparty Democracy (MMD) in July 1991, as a broad-based movement of workers, academics, business-people, students, the unemployed and retired politicians. The workers, through the Zambia Congress of Trade Unions (ZCTU) provided the organisational basis for the pro-democracy movement. However, as it turned out, the pro-neoliberal elements in the MMD was to dominate economic policy and the MMD officially adopted a neoliberal economic agenda. Paradoxically, Frederick Chiluba, former chairman-general of the trade union federation was to go on to win the leadership of the MMD and eventually was elected President of Zambia in elections held on 31 October 1991. The subsequent transformation of the MMD into a right-wing neo-liberal force with the acquiescence of the trade unions raises important questions for the working class in Zambia. As with the experience with Zimbabwe's Movement for Democratic Change (MDC), the MMD which was sponsored by the Zambian working class was hijacked by business elements, while the social democrats and reformers within its ranks were sidelined and in some cases purged.

Events in Zambia assume further importance not only because it is an important capitalist state in Africa, but also by its connection to South Africa economy, the biggest and most important centre of global capitalism on the continent. Zambia is not only one of South Africa's biggest trading partners on the continent, but that its copper mining industry has been dominated by South African capital since colonial times. South Africa has the continent's biggest and historically most militant working class, of whom at least one million are migrant workers from the Southern African region, including Zambia, which signal immense possibilities for working class struggles in Africa.

One of the reasons the resistance of the Zambian working class was initially stronger than in many other African countries was because it is based on a comparatively much more developed industrial base. Unlike most African countries, the mining sector is the mainstay of the economy and has since independence consistently provided over 90 percent of export earning and 65 percent of government revenue. The economic crisis of the 1980s had a negative impact on copper mining, contributing to leading a decline in copper production and slump in government revenues. The decline in the economy also affected others sectors of the economy, such as manufacturing and agriculture. Manufacturing slowed down and declined under the weight of import liberalisation measures introduced in the mid-1980s and accelerated under the MMD government after 1991. To the extent that in 1993, virtually the whole textile industry had collapsed.

Between 1985 and 1993 the working class exploded in a manner that had last been seen during the colonial period. For example, there were over 200 strikes, in virtually every sector of the economy during that period. The main demand was for higher wages in response to the effects of neoliberal (structural adjustment) policies adopted by the UNIP government and later the MMD. Whereas during the UNIP era, government was able to concede and reverse the

programme to meet workers' demands, was the case with the reversal of increases in maize prices in December 1986, this was not the case under the MMD. Despite the MMD having been sponsored by organised labour, the government was able to prosecute one of the toughest economic reform programs on the continent. Zambia joined Ghana as IMF/World Bank's star pupil.

Following the prescription given by scholars such as Nelson (1994), the MMD government embarked on a doubled-barrelled program of economic and political liberalisation. Given the huge mandate obtained in the October 1991 presidential and general election, which saw the defeat of founder President Kenneth Kaunda and UNIP after 27 years in power and euphoria of political change, the MMD was able to implement an unpopular economic programme with little or no organised opposition. The working class under the leadership of the ZCTU hoped that the new government would be able to grant concessions to the workers in due cause. But in 1994 began to question the logic of remaining in an alliance with a party that had unleashed an assault on workers' rights and undermined their militancy. The introduction of industrial and labour relations legislation during the 1992-94 period completely weakened the organisational basis of the trade unions. For example, the unity of the trade union movement was undermined with the liberalisation of formation of trade unions, whereas guarantees for job security were wiped out with redundancy programmes undertaken by firms in response to economic liberalisation.

Between 1992 and 2004 the Zambian government prosecuted one of the most vicious privatisation programmes on the continent. A total 263 state-owned companies were privatised, while tens of thousands of workers were declared redundant, a euphemism for being fired. Foreign exchange and import controls were liberalised. Zambia is today boasts of one of the most open markets in Africa, where externalisation of foreign currency is even more liberal than South Africa. But all this has not translated into improvement in living standards. The market economy has only helped serve the capitalist interests, while the majority of Zambians have continued to wallow in poverty and destitution.

### **Relevance of Marxism to Africa**

While Zambia did not adopt fully-fledged socialist policies under Kaunda's reign, its association with socialist states and experiment with a social democratic programme has led to a mistaken label of a failed socialism state. However, it is important to point out that under Kaunda's reign the ideology of humanism was subjected to serious critique and a robust discourse ensued on its practical merits. Theoreticians, academics and policy-makers were challenged to see how humanism would be practically applied to Zambian conditions. The ideological debates on the negative influence of international capitalism, such as neo-colonialism and imperialism were engaged the elite for most part of the 1970s and 1980s. It was that discourse which persuaded Kaunda to succumb to the machinations of the IMF and World Bank in mid-1980s, but to his disappointment neoliberal policies only exacerbated the crisis and undermined his legitimacy.

In capitalist society, politics tend to be organised on class lines. That is to say, that political parties tend to mirror sectional interests. The paradox of the new political liberalism, which comes as a package with neoliberalism is that political parties lack any ideological differentiation. If anything, the new parties aggregate the interest of a cross-section of interests, most of which tend to be contradictory to each other. For example, the MMD aggregated the interests of workers, poor peasants and business groups. Given that neoliberalism is the dominant ideology in the country, the political parties have all come to embrace them in their manifestos. Thus of all the main political parties in Zambia, there is none which articulates a distinctively social democratic or socialist programme. The main opposition party, the United Party for National Development (UPND) led by a businessman, Anderson Mazoka, espouses neoliberal ideas, though hopes to pursue a more social democratic programme when in power. The parties, such as Forum for Democracy and Development (FDD), Patriotic Front (PF) and Party for Unity and Development (PUDD), led by persons who held ministerial positions in the MMD government have nothing against neoliberal policies. As for UNIP, it has changed social democratic stance purely to win electoral support.

Zambia lacks a real ideological debate on the type of social system that will engender real growth and ensure improvements in standard of living in the people. For the past 15 years, there has been only one discourse which is that there is simply no alternative to the present economic paradigm based on neoliberalism. Given the demobilisation and pauperisation of the working class and the intelligentsia, Zambian politics lack a class basis. Parties are led by influential individuals with money and not rooted in the people. Discussions of the preferred development model do not reflect the actual situation obtaining in the country. While elites recognise that the neoliberal economic model is inappropriate, but if they have to attract the support of the Western donors and the International Financial Institutions, they have to operate within its logic. What is clear is that the neoliberal paradigm does not guarantee social welfare, improve incomes and reduce social inequalities. If anything, structural adjustment programmes call for reductions in social spending, as wasteful, especially in the crucial social sectors such as health and education. As a result, social indicators have considerably declined during the last years of neoliberal policies. Zambia was ranked 154 on the UNDP Human Development Index suggesting that neoliberal policies contributed to the decline in social welfare contrary to what proponents would want us believe.

The Marxist theory is at least sensitive to the idea of extending social welfare to the greatest number in the population. Hence, it emphasises a type of politics that takes into account the people's welfare as the modus operandi of party politics. Further, it recognises that all politics is class politics, meaning that if political parties are dominated by businessmen, as is the case in Zambia, they are likely to promote their own interests and not those of the mass of the people. It is important that party promoting particular interests are promoted by the classes involved. The difficulty in Zambia is that the revolutionary segment of the working people, the trade unions, acquiesced into an alliance with a party committed to promoting anti-worker policies.

It can be argued that the elite segment of the population, especially the educated elite, has been compromised by careerism and sheer opportunism.

The tendencies that Marx identified towards the concentration and centralisation of capital and the inefficiency of the market are relevant in Africa today. In the Zambian case, the consistent implementation of neoliberal policies for the past 15 years has not contributed to a reduction in poverty, reduce income inequalities and put the country's economy on the road to sustainable growth. Poverty levels increased in the last 15 years from around 56 percent to 72 percent despite structural adjustment. Further, Zambia is listed among the poorest countries in the world, with a GDP per capita of around \$380 in 2003. It was on account of this that the country qualified for the Highly Indebted Poor Countries Initiative (HIPC) facility that saw the debt forgiveness of around \$6.5 billion during 2005.

Most critiques of Marx scarcely engage with his profound economic analysis of capitalism. Two limitations in Marxist analysis of capitalism are worth a brief note. One relating to the transition to and shape of the socialist future. The other relating to an analysis of the nature class politics in emerging societies. There has been a considerable debate on the methods to establish a socialist society ranging from 'socialism in one country' in the Soviet Union to different forms of vanguard in many countries, including variants of African socialism. However, the most common critique of Marxism has invariably been directed at the failure of the socialist project in the world.

The ascendancy of neoliberal ideas became more prominent in the wake of the collapse of the centre of world socialism – Soviet Union. But it is important to point out that the relevance of socialism is not related to the nature of socialism. Different societies used different approaches to establish socialism. Following Marxist dialectics the handling of class contradictions explained the success or failure of the socialist project in some countries. Marx did not provide a blueprint of how socialism could be established. He only provided a theory derived from the observation of the dynamics of the capitalist system. Hence, those who blame Marxism for the failure of socialism simply do not understand the role of Marxist theory in socialist construction.

Marxism is predicated on historical materialism. That is to say, the development of society can be understood as a struggle and unity of opposites, a class struggle. In a capitalist class society this



struggle takes the form of a discourse to organise society in the interests of the ruling class – the bourgeoisie. While the dispossessed classes, the workers and peasants and their traditional allies, the petty bourgeoisie or educated elites, are weakened through strategies of cooptation, repression and subjugation. The discrediting of a socialist alternative was rationalised with the collapse of the Soviet Union and the East European socialist bloc. But socialism need not follow the approach used followed by the Soviet Union or former socialist bloc. Perhaps, its failure in those countries had partly to do with an authoritarian imposition and absence of internal criticism and counter-criticism. Thus it atrophied and lacked internal dynamics, giving way to its negation. There is no doubt that the closedness and denialism of traditional socialist countries has worked to create forces of reaction which have eventually discredited the system altogether and led to its collapse.

Towards the beginning of the last decade most countries in Africa overwhelmed by the historical demise of world socialism lost a frame of reference and thus a credible ideological alternative. Thus this lack of an alternative has helped entrench the neoliberal paradigm as the only panacea of economic development in Africa. The existence of no alternatives goes against our understanding of Marxist dialectics. To everything there is an opposite. Thus, with the discrediting of world socialism, a la Soviet style, there exists an alternative to the market economy. The absence of alternative discourse to neoliberalism will only help entrench capitalist exploitation of African economies, as the example, of Zambia has shown, the adoption of neo-liberal economic policies have only compounded class inequalities, increased poverty and the pauperisation of the population.

There is no meaningful debate on alternatives to the neoliberal economies paradigm in Zambia, as is the case in many other African countries. The trade unions have continued to complain of the impact of structural adjustment on their members in terms of job security and declining incomes, but have not been able to articulate an alternative to the present economic programme. It is this paralysis in being fixed within one paradigm – the neoliberal paradigm – which is responsible for the implementation of pernicious economic policies that not hurt the poorest of our people, but challenge the social contract between the state and the citizens, i.e. to provide them with security and social welfare. The Zambian state, as many other African countries has failed to deliver as a result of implementing neoliberal policies.

### **Concluding Remarks**

This paper has tried to show that the discourse of the African development crisis is dominated by the neoliberalism. We examined the arrogance and the ideological triumphalism among proponents of neo-liberalism who, in a manner reminiscent of the discredited modernization policies of the past, believe that the only way in which African countries can develop is to cast themselves along capitalist lines.

But the overwhelming evidence from Africa shows that neoliberal economic policies have not only succeeded in worsening the continent's development crisis, but are in fact helping to further entrench imperialist control of African economies. In view of the acute contradictions, limitations, and the debilitating nature of the development crisis, there is no doubt that urgent and radical solutions are needed. But the neo-liberal paradigm cannot provide appropriate solutions to the crisis.

Marxism provides an alternative ideological discourse to neo-liberalism and posits the creation of an alternative society, which is more equitable. How such a society is created and the nature it takes cannot be based on dogma, but on concrete realities prevailing in specific countries. In the case of Zambia, dominant class forces, including the working class formed an alliance which endorsed the neo-liberal paradigm as the most relevant economic strategy to economic development. This maximum coalition has complicated the resolution of the national question and is responsible for the absence of a real debate on alternatives to neo-liberalism. Whether an alternative inspired by the socialist tradition can yet re-emerge will depend on whether socialists are willing to pay more attention both to political strategies that go beyond protest and to the study of the conditions of viability of alternative modes of organising economic life.

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