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Between African Nationalism and Structural Adjustment: How Senegalese Elites Redefined Neoliberalism

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Between African Nationalism and Structural Adjustment: How Senegalese Elites Redefined Neoliberalism

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ABSTRACT

In 2001, African leaders adopted "The New Partnership for Africa's Development" (NEPAD). Unlike previous African development policies which rejected Western influence, NEPAD embraces neoliberal economics. I examine previous development policies to chart how elites abandoned opposition to neoliberalism and explain what events sparked this transformation. I argue that elites redefined neoliberalism in NEPAD, combining African nationalism and Western economics. This redefinition responds to criticisms and diffuses accusations of neocolonialism, thus ensuring neoliberalism's survival on the continent. This research addresses the role of African elites in the perpetuation of neoliberalism and designs a theory to explain diffusion of neoliberalism worldwide.

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INTRODUCTION

There is no place where extreme poverty is more evident than Sub-Saharan Africa. In this region, where 32 of the 48 poorest countries are located, almost 50% of the population lives on less than $1 a day. Poverty has, in fact, doubled since 1981. To suggest that Sub-Saharan Africa is failing to prosper in the age of neoliberalism is by no means an exaggeration.

Despite this grim reality, African elites grow increasingly supportive of neoliberal policies. Over the past three decades, African leaders have abandoned their opposition to neoliberalism and turned instead to endorsing it (see, for example, Anani; Beckman; Boone, *State Power*; Charney; Mennasemay). How can this transformation be explained? Moreover, African elites have not simply mimicked neoliberalism as defined by the international finance community; they have *restructured* and *redefined* neoliberalism to fit the African context. In October of 2001, the African Heads of State sent shockwaves through the international community when they signed the New Partnership for Africa's Development (NEPAD) (Adésìnà; Edozie; Taylor). Representing a significant rupture with previous nationalist development policies, NEPAD embraces free trade principles and addresses development firmly within the context of neoliberalism (Melber; Owusu). However, unlike previous IMF and World Bank policies, NEPAD also understands development as a project of African nationalism (Blake). Thus, NEPAD combines Western economics and African nationalism to create an unprecedented approach to development.

The principal questions driving this research are: why and how did African elites grow to accept neoliberalism and what motivation did they have for redefining this framework? I examine these questions specifically with regard to Senegal, whose President, Abdoulaye Wade, is one of NEPAD's chief architects and proponents. I broadly define elites as actors who hold considerable power in the construction of intellectual, political, social, and economic frameworks. Three types of elites have been particularly important to the history of Senegal: political, business, and religious elites. I focus my research on political elites, which I define as actors with direct influence over the state apparatus.

Senegalese elites grew to accept neoliberalism as the benefits for them became clear. However, the failure of structural adjustment to provide significant poverty alleviation increased opposition to these measures both at home and abroad. The threat this opposition posed to neoliberalism encouraged President Abdoulaye Wade to redefine neoliberalism in a manner more appropriate for Africa. Selling NEPAD as a project of African nationalism, Wade and other elites are able to protect and perpetuate neoliberalism on the continent.

Understanding these developments requires a new theoretical framework. I begin by reviewing the current literature, which is helpful insofar as it explains how neoliberalism took root in Africa. However, it fails to explain how the variation of neoliberalism represented in NEPAD developed. In response to this omission, I introduce a new theoretical framework that explains the emergence of neoliberal variations as dependent on three factors: 1) transformation in elite ideology, 2) shift in the relationship between developing world elites and developed world elites, and 3) the confluence of domestic and international opposition to neoliberalism.

Chapter 2 introduces NEPAD and its philosophy. I first explain seven free market principles that define neoliberalism according to the IMF and World Bank. I then examine how NEPAD embraces five of these principles. Next, I examine two characteristics which NEPAD adds to the neoliberal discourse. Finally, I examine three characteristics of NEPAD which run contrary to the policy positions of the industrialized world. Thus, NEPAD at times embraces and at other times rejects established IMF/World Bank neoliberalism, incorporating characteristics of African nationalism to produce a variation of this framework.

The next portion of the paper returns to the three factors introduced in the first chapter in order to explain the emergence of NEPAD. Chapter 3 explains how elite ideology changed over time. I examine the history of Senegal, marking the transition from socialism to capitalism. I then examine African development frameworks from 1980 to 2001, showing how continent-wide policies reflect this slow change in ideology. Finally, I examine how South African President Thabo Mbeki's "African Renaissance" ignited a series of development policies which culminated in NEPAD. Chapter 4 explains the second trend which led to NEPAD: the restructuring of Africa's relationship with the West. African leaders began to simultaneously criticize and complement developed world politics. This contradictory relationship mirrors NEPAD's embrace and rejection of neoliberalism. Finally, Chapter 5 explains how the confluence of domestic and international opposition to neoliberalism motivated President Wade and others to redefine neoliberalism. Domestic opposition forced

Wade to redefine neoliberalism in a manner more palatable to his electorate; international opposition directed at the IMF and World Bank made the international finance community increasingly receptive to alternative frameworks from African leaders.

Chapter 6 examines the political impacts of NEPAD. Have Wade and Mbeki successfully inculcated the continent with their new philosophy? Has NEPAD quieted dissatisfaction with neoliberalism? I study how African civil society, the business community, and the electorate have responded to NEPAD. It is too early to tell if NEPAD has successfully implemented that which it promised; however, we can examine the reaction to NEPAD and the confidence of the African people in this neoliberal variation.

This research expands on the seminal (but often disregarded) role of African elites in the perpetuation of neoliberalism. In the debate over neoliberalism, the IMF and World Bank garner much of the attention. Yet, the literature fails to scrutinize the elites in developing countries which pursue neoliberal policies. The existing literature regards many African countries as powerless vis-à-vis international finance institutions. However, development policies are not simply *imposed* on developing countries, they are *negotiated*. Though domestic elites may be constrained in the face of the World Bank and IMF, their role in the neoliberal paradigm should not be ignored. The following research expands not only understanding of neoliberalism in the developing world but how domestic elites influence and reshape the neoliberal discourse worldwide.

CHAPTER 1
REDEFINING NEOLIBERALISM: A NEW THEORETICAL FRAMEWORK

The existing literature provides a foundation, but not an answer, for the question of how and why African elites redefined neoliberalism. It explains the domestic and international trends which led to the implementation of neoliberalism during the 1980s. It also explains why support for economic policies such as NEPAD proliferates. Thus, the existing literature serves as bookends: it lays the groundwork for NEPAD (the introduction to neoliberalism is a precursor to the *re*definition of neoliberalism), and it explains NEPAD's current popularity. However, the actual impetus behind NEPAD remains unexplained. I argue that three trends produced NEPAD: 1) African elites underwent an ideological transformation, 2) African elites redefined their relationship with Western countries, and 3) international and domestic opposition gave leaders a window to negotiate with international finance institutions.

Existing Literature: Explaining the Emergence of Neoliberalism

Three sets of authors theorize about the emergence of neoliberalism in developing countries. Dezalay and Garth emphasize the exportation of ideologies from the developed world to Latin America and the resulting internal battles among the elites. Bockman and Eyal study internal trends in Eastern Europe that culminated in radical shock therapy. Finally, Henisz et al. offer three causes of neoliberal implementation that apply regardless of region.

In their book *The Internationalization of Palace Wars* Dezalay and Garth argue that developing world elite, in their case Latin American elite, changed significantly during the onslaught of neoliberalism. The authors describe the preneoliberal Latin American elites as "gentlemen politicians of the law" because of their connection with the law, a legal education, and the legal faculties of the state (19). Neoliberalism replaced such elites with "technopols" who orient themselves towards the United States and its economic policies: "The basic shift…can be described as a change from the gentlemen lawyers of the state to a group of economists now linked to democracy" (17). Dezalay and Garth argue this change resulted from the rise of the United States and decline of Europe as the focal point of world power. This shift changed what ideas the developed world exported to the developing world. When Europe dominated international politics, it exported the idea of law as the core process that structured, produced, and reproduced fields of power (5). With the United States as the current world power, the export of ideas focuses on economics, specifically neoliberalism.

Dezelay and Garth argue that borrowed ideas create the elite conscience in developing countries, and the use of these ideas legitimizes elite control. Developed world elites export ideologies, strategies, and policy frameworks to receptive domestic elites. These exported ideas then define the elite agenda and shape the characteristics that unite elites as a group. Domestic elites use international tools such as resources, university degrees, contacts, and expertise to build power and legitimacy at home (7-8). Domestic elites also use international strategies to compete against one another, a process Dezalay and Garth refer to as "palace wars." Rising elites employ foreign contacts and credentials as their point of entry into power, thus international strategies produce new opportunities and lead to state transformations (34). While international strategies are used differently, this process of exportation/importation and its subsequent palace wars creates agendas that reflect the interests of both the Global North and Global South elites.

Johanna Bockman and Gil Eyal take a different approach to explaining why neoliberalism took root in post-Communist Eastern Europe, describing it as the result of transnational networks composed of American and Eastern European economists. Within these networks, members participated in transnational dialogue long before socialism's collapse. Bockman and Eyal argue that the West did not simply impose new policies on a passive Eastern Europe. Instead, negotiation and exchange produced neoliberalism: "We see transnational networks and transnational dialogue where others have seen merely imitation and imposition" (312). During this transnational dialogue, Western and Eastern European economists disseminated neoliberal ideas. Consequently, Eastern European reformers perceived the need for neoliberal reforms and eventually became some of the strongest proponents of such reforms (311).

Bockman and Eyal understand Eastern Europe as "a laboratory for economic knowledge." Not only did the West impart ideas of neoliberalism to Eastern Europe, but Eastern European economists helped consolidate support for neoliberalism in the United States. When Western advisors arrived in Eastern Europe in the late 1980s, they claimed to have found the economy in shambles. However, Eastern European proponents of economic reform consolidated this perception much earlier during transnational dialogues. As Bockman and Eyal describe it, "Western economists' diagnosis of Eastern European economies as wastelands…did not reflect the economic situation as they found it, but the assessments conveyed to them by Eastern

European reformers and economists" (337). By vilifying socialism, Eastern European reformers encouraged the perceived need for market-oriented reforms.

Bockman and Eyal disassociate the expansion of neoliberalism from Western influence more so than Dezalay and Garth and focus instead on what trends took place within Eastern Europe. First, Eastern European economists felt "pushed" to accept neoliberalism as socialist reforms continued to fail. Second, Eastern European economists felt "pulled" by the growing discourse of "antipolitics," which encouraged economists to disassociate with the political process and socialist ideology. Third, Eastern European economists construed the strategy of central planning as failed and distorted, thus aligning their interests with those of Western neoliberals (338). For Bockman and Eyal, the West plays a minor role in the expansion of neoliberalism; for example, they describe Western economists as surprised to discover neoliberalism had taken such a strong root in Eastern Europe and, in many cases, found themselves to be less radical than their Eastern European colleagues in their implementation of shock therapy (338).

Finally, Witold Henisz, Bennet Zelner and Mauro Guillén argue that three forces disseminate neoliberalism: international pressures of coercion, normative emulation, and competitive mimicry. International coercion refers to powerful transnational actors exerting influence on the policy decisions of individual governments. Multilateral forces use financial and moral authority both directly and indirectly to coerce domestic policy actors into adopting neoliberal policies. Conditions attached to IMF and World Bank loans provide a common example of international coercion (Henisz et al. 875). Henisz et al. hypothesize that "adoption of market-oriented reform elements by a given country is positively associated with the country's exposure to multilateral leaders" (876). Normative emulation refers to the process by which actors adopt the behavior of others who share their social structures. Henisz et al. provide various case studies where governments evaluate what neighbor countries are doing in order to conform to shared norms. The authors further hypothesize that "Adoption of a market-oriented reform element by a given country is positively associated with a country's degree of trade cohesiveness with other countries that have adopted the same element" (876). Whereas normative emulation refers to the homogenizing effect of shared norms, competitive mimicry refers to the observation and imitation of perceived competitors (877). The authors' final hypothesis states that "Adoption of a market-oriented reform element by a given country is positively associated with the country's degree of role equivalence with other countries that had adopted the same element" (878). Henisz et al. do not study neoliberalism with regard to a specific region; instead, they look for general international and domestic trends that correlate a country to its decision to implement market-oriented reforms.

Contributions of Existing Literature

Dezalay and Garth, Bockman and Eyal, and Henisz et al. discuss the role of the West in the developing world's conversion to neoliberalism, though to varying degrees. Dezalay and Garth call it a process of exportation; Bockman and Eyal refer to the "push factor;" Henisz et al. discuss "international coercion." While each set of authors explains the process with regard to different regions, all three agree that neoliberalism is, at least in part, exported by the developed world and imported by the developing world.

From 1980 to 2001, African development policy reflects this process of exportation/importation. The collapse of socialism left many African governments groping for an alternative during the late 1970s and 1980s. International finance institutions took advantage of the failing African state, weakened further by the debt crisis of the 1980s. Development policy began to incorporate fewer aspects of African nationalism and more characteristics of IMF and World Bank policies. As governments proved incapable of addressing the continent's economic woes, African elites grew increasingly willing to import policies from powerful international actors.

Education and diplomacy provided two additional avenues through which Africa imported neoliberalism. Successive generations of African leaders received European educations and returned with foreign ideologies. Furthermore, African elites during the 1990s sought diplomatic relations with a variety of global powers, unlike their predecessors who remained closely connected with former colonizers. Exposure to neoliberal expertise abroad increased the rigor of neoliberal policy implementation at home. The IMF and World Bank began to find a growing contingent of allies among the African elite.

When Abdoulaye Wade assumed the Presidency, Senegal had accepted the neoliberal paradigm. His predecessor, Abdou Diouf, deconstructed the socialist experiment and moved closer towards capitalism; eventually resistance to neoliberalism among the elites subsided. Other new African leaders (like Thabo Mbeki of South Africa) discovered comparable situations in their own countries.

Wade and Mbeki then worked with the policies already in place to create their own interpretation of neoliberalism. They manipulated the existing philosophy—without seriously challenging it—to create a variation that more aptly fit the African model.

Understanding NEPAD's emergence first requires an understanding of how foreign economic frameworks reached the continent; however, these theories fail to explain why African elites developed their own brand of neoliberalism. If international pressure was the chief component, why did African countries not unequivocally accept neoliberalism as defined by the IMF and World Bank? In their conclusion, Dezalay and Garth admit that elites frequently orient transplanted ideologies in a direction unanticipated by the United States (246). However, Dezalay and Garth attribute "half-failed transplants" to social differences, such as family structure or the strength of clientelism in the importing country. In this analysis, importing countries are not challenging exporting countries; variations occur as a result of different institutions (250). I will argue, however, that African elites purposefully challenge the Western world's conception of neoliberalism; other trends must have influenced African leaders in order to produce the variation between NEPAD and IMF/World Bank policy.

The utility of the existing literature extends to a second aspect of NEPAD's story: normative emulation and competitive mimicry explain why President Wade found favor for NEPAD in other African countries. The pan-African rhetoric of Presidents Mbeki and Wade resounded with others leaders who then adopted NEPAD's agenda. Presidents Abdelaziz Bouteflika of Algeria and Olusegun Obasanjo of Nigeria joined the drafting processes shortly after Wade and Mbeki announced their new vision. Several more member countries of the African Union participated in later drafting processes. Competitive mimicry explains why other African countries jumped on the NEPAD bandwagon after the more economically advanced African countries gave their approval. The countries most responsible for NEPAD represent some of Africa's most developed economies: Senegal enjoys relatively high levels of economic growth, South Africa is the continent's largest investor, and Nigeria boasts one of Africa's largest economies. Consequently, lesser developed countries associated economic power with NEPAD, fueling its momentum and increasing its support.

A New Theoretical Framework

The existing scholarship explains how neoliberalism took root in developing countries, but it fails to explain what provoked elites to *redefine* neoliberalism once it was institutionalized. I argue that three trends motivated this redefinition. First, the aspirations of the African elite shifted. The failure of both socialism and orthodox structural adjustment to reverse economic recession inspired African elites to craft a third alternative. Second, African elites began to legitimize their leadership by simultaneously collaborating with, and criticizing, the West. This paradoxical relationship manifested itself in NEPAD. Third, the confluence of domestic and international opposition to neoliberalism weakened the ability of international finance institutions to dominate the neoliberal discourse and strengthened the ability of domestic elites to negotiate within the discourse.

Prior to the economic recession of the 1970s, African elites focused on nation-building with development as a central component of this endeavor. While capitalist and socialist countries divided the continent, most African leaders shared an "enthusiastic commitment to the nationalist project" (Adésínà 136). Both socialist leaders (such as Julius Nyerere of Tanzania) and capitalist leaders (such as Jomo Kenyatta of Kenya) showed broad concern for a "post-colonial social contract" that reflected a commitment to education, health care, and employment (Olukoshi). Different socioeconomic models motivated different leaders; however, nation-building was the overriding and common vision. Commitment to nation-building fostered among the elite what Jímì Adésínà calls "proletarian aspirations." The policy discourse focused on social welfare and glorified the peasant life. These proletarian aspirations reached their zenith in the 1970s as governments fell to Maoist and Marxist revolutionaries.

The Petroleum Crisis of 1973 and subsequent debt crisis drastically changed the mindset of the African elite. The debt crisis offered international finance institutions an entry point into the micromanagement of African states. The IMF and World Bank confronted African countries with an ultimatum: implement aggressive structural adjustment or risk bankruptcy. The nationalist project quickly died during this onslaught of conservative austerity measures. Gradually the balance of forces within the state shifted in favor of neoliberalism. The existing literature helps explain how the developed world used its influence to encourage neoliberalism and cultivate a base of support for its policies among African elites. Elites rejected the socialist project and began instead to exhibit "bourgeoisie aspirations" (Adésínà 136). Subsequently, they began to situate development within a framework of foreign investment, private sector vitality, and trade liberalization.

However, as the 1990s progressed, structural adjustment failed to put a serious dent in poverty. African economies remained underdeveloped, and African states stayed securely under the influence of international actors. African elites found themselves struggling to compete in the global economy, despite their willingness to convert to the neoliberal doctrine. Frustration with their continued subservience deterred African elites from completely aligning with the Western capitalist project.

This shift in elite ideology impacted the relationship between African and European/North American elites. Desiring to be neither subservient nor subversive, African leaders sought a middle ground on which they established autonomy from the West while continuing to collaborate with it. From independence through the 1980s and 1990s, African leaders and European/North American leaders cultivated neocolonial relationships, in which African leaders occupied positions of subservience. Even a socialist regime such as Senegal constructed an economy that complemented the aims of France. During the late 1990s, African leaders began to exhibit disenchantment with structural adjustment. While still supporting the overarching neoliberal framework, Presidents Wade and Mbeki began to increasingly criticize the West. They did not accuse the West of neocolonialism as the nationalists of past generations had done. Instead, they criticized the West for not using neoliberalism to the fullest possible degree. They accused the West of "partial" as opposed to "holistic" structural adjustment in Africa. They also criticized the West for continuing to subsidize its own agricultural industries. Finally, African leaders grew increasingly critical of debt repayment and the yoke it placed on African countries. However, African leaders remained cooperative and open to neoliberal policies. Today, Wade and Mbeki balance their relationship with the developed world between collaboration and contestation. These leaders have built legitimacy by appearing autonomous from the West while continuing to reap the financial benefits of close diplomatic ties with the West. NEPAD—a policy that simultaneously criticizes and praises the developed world—grew out of this relationship.

Finally, the confluence of domestic and international opposition to neoliberalism gave African elites a window to fully pursue a redefinition of neoliberalism. While ideological and diplomatic changes encouraged the philosophy that forms that foundation for NEPAD, the culmination of opposition served as the genesis for the policy framework. While the failure of structural adjustment had deterred elites from fully embracing neoliberalism, it had outright infuriated the middle and lower classes. Neoliberalism failed to lessen the plight of many poor Africans; in many cases these hardships were aggravated. By the turn of the century, African populations were clamoring for change. International opposition to neoliberalism began to grow as well, even from within the ranks of the IMF and World Bank. International finance institutions needed to shed the reputation of being a rich insiders' club. When Wade and Mbeki unveiled NEPAD, international elites saw an opportunity to improve their image without seriously changing their conduct.

Conclusion

The existing literature explains how neoliberalism developed a base of support on the African continent and explains how NEPAD might have garnered the support it now enjoys, yet it fails to explain what prompted NEPAD. Although I agree that NEPAD reflects a neoliberal doctrine, I argue that its variations from previous policy frameworks demand a new theoretical explanation. NEPAD emerged because African elites re-aligned their aspirations with the global capitalist class while maintaining the vestiges of African nationalism. African elites further cultivated new relationships with developed world leaders based on collaboration and criticism. This new relationship spurred policies that reflected a similar paradox. Finally, African elites found a window of opportunity as domestic and international opposition to IMF and World Bank policy increased the likelihood that they could successfully promote an alternative.

This theoretical framework does not seek to discredit but expand upon the work of Dezalay and Garth, Bockman and Eyal, and Henisz et al. Like these scholars, I consider both international and domestic factors, although I focus more heavily on the domestic and consider trends which are absent from other analyses. Thus, I grant further insight into a lesser studied aspect of the story. Moreover, I examine neoliberalism with regard to a different region. Focusing on Sub-Saharan Africa highlights the constraints of Dezalay and Garth. Given geographical proximity, U.S. ideas are far more easily exported to Latin America than to Sub-Saharan Africa, particularly to countries such as Senegal which remain securely under the influence of former European colonizers. Furthermore, the concepts of "gentlemen politicians of the law" versus "technopols" carry less pertinence to the case study of Senegal since Africa followed a different historical path from colonization to independence. Likewise, Bockman and Eyal's analysis is highly tailored to the case of Eastern Europe, examining the interactions between American and Eastern European economists preceding the fall of the Soviet Union. Again, different diplomatic relationships put African countries in contact with different Western powers, suggesting that economic trends in France, for example, would be more telling of economic trends in Senegal. Moreover, given the high priority of Eastern Europe in U.S. foreign policy during the Cold War, we can expect a different level of attention and effort exerted towards converting Eastern European reforms to neoliberalism. Henisz et al. avoid constraints by considering trends that are not specific to any region, yet the generality of their research impedes its utility. Studying neoliberalism in an African case expands the region-specific portion of the literature while offering a new theoretical framework which raises interesting questions for comparative research.

By redefining neoliberalism as a project of and for the African people, African elites ensure the continuation of benefits resulting from the neoliberal system for their class. Over the course of nearly three decades, African leaders have grown to support free market principles, despite their controversial social consequences. While neoliberalism has augmented the influence and wealth of African elites, it has failed to alleviate poverty, consequently growing highly unpopular with African populations. African elites use NEPAD to re-introduce neoliberalism as a positive force for development, diffusing accusations of neocolonization. Elites create an image of neoliberalism as a self-owned project, instead of one that is imported from former colonizers. With this new model, African elites seek to quiet criticism and ensure the longevity of this economic paradigm.

CHAPTER TWO
NEPAD: WESTERN ECONOMICS AND AFRICAN NATIONALISM

Signed in October 2001, the New Partnership for Africa's Development is a comprehensive, continent-wide policy framework for addressing Africa's economic crisis. NEPAD focuses on four core components: regional integration, partnership with the developed world, good governance, and foreign investment. Under these umbrella goals, NEPAD addresses Africa's numerous development woes: weak mechanisms of conflict prevention and resolution, lack of protection for human rights and democracy, macro-economic instability, inadequate education and health care, and lack of infrastructure and economic diversity. By following NEPAD's prescriptions, African leaders claim they will address all these issues and will cut poverty in half by 2015 by increasing GNP by 7 % each year (Melber 4-5).

Both praise and criticism instantly met NEPAD. Developed countries hailed the policy as a beacon of hope while members of the African intelligentsia accused NEPAD of shrouding neocolonialism in nationalist rhetoric. However, by carefully examining the NEPAD document, we see that NEPAD is neither a wholesale acceptance of the Washington Consensus nor a return to a staunchly inward-focused, anti-imperial African nationalism. Instead, it vacillates between the two camps, creating a variation on both ideologies. I begin by defining neoliberalism as intended by the IMF and World Bank. I then examine how the NEPAD document embraces and rejects this definition. Additionally, I examine how NEPAD reflects previous African nationalist philosophies. Furthermore, I examine the characteristics present in NEPAD which contradict the policies of the international finance institutions. I conclude that NEPAD is a mélange of these philosophies—a new direction for neoliberalism and for African development.

Neoliberalism Defined

Born in the 1970s, neoliberalism is commonly referred to as the Washington Consensus, a stark reminder of whose perspective the discourse reflects. Broadly speaking, neoliberalism refers to the strict adherence to free market principles and repudiation of government involvement in the economy. To more clearly establish how NEPAD reflects and rejects neoliberalism, I break this concept down into the seven policies that most frequently accompany structural adjustment.

I begin with exchange rate reform. Architects of neoliberalism use exchange rate reform as a means of producing realistic and market-determined exchange rates. In developing countries, this reform almost always includes currency devaluation. Devaluation increases real producer prices and stimulates spontaneous expansion of exports, output, and tax revenue (Loxley 11). Devaluation aims to increase the relative value of African products in both domestic and international markets in the short term while assisting entrepreneurs and expanding the formal and informal sectors in the long term (Creevey 670). Exchange rate reform also calls for the auctioneering of foreign exchange. In many Sub-Saharan African countries, bureaucrats of state-controlled banks regulated the allocation of foreign exchange throughout the 1960s and 1970s (Schumacher 10). Structural adjustment programs gave control of foreign exchange instead to commercial banks. Authorized dealers (typically other commercial banks) bid for foreign exchange on behalf of themselves and their customers. Proponents endorse auctioneering as a method for disbursing foreign exchange, infusing businesses with purchasing power, increasing business confidence, and courting foreign investment.

The second and third neoliberal policies—trade liberalization and export promotion—are closely connected to each other. Trade liberalization demands the reduction or relaxation of tariffs (taxes on imports) or other trade barriers (quotas on imports, subsidies for domestic producers, etc). Trade is further liberalized by the deconstruction of trade-distorting policies, such as regulations or laws that give domestic firms an advantage over foreign ones. Supporters of the neoliberal paradigm argue that liberalizing trade results in a net gain for both trading partners. In a liberalized market, exports become increasingly important. Neoliberalism maintains that outward-looking economic strategies are more likely to generate rapid growth for developing countries (Rhee 9). An economy that is keenly focused on exports will develop those industries that are most highly in demand and will thus cultivate comparative advantage. Both trade liberalization and export promotion aim to deconstruct protectionist economies and incorporate countries more fully into the global market.

The fourth feature of neoliberalism is the withdrawal of subsidies and cuts in government spending. When the IMF and World Bank appeared in Sub-Saharan Africa, they found highly centralized states, controlled economies, and bloated bureaucracies. International finance institutions promptly called for a sharp reduction in the size and payroll of the bureaucracy and a drastic curtailment of government expenditures. The goals of cutting government spending are to encourage trade liberalization by reducing government interference and to direct resources away from sluggish bureaucracies towards more fruitful pursuits.

Cuts in government spending often take the form of the fifth characteristic of neoliberalism: privatization or the transfer of ownership from the public sector (government) to the private sector (business). Privatization can also mean the subcontracting of a government service or function to a private firm. Proponents of privatization believe that private market actors can deliver goods or services more efficiently than governments due to free market competition. Neoliberalism argues that governments have few incentives to ensure their enterprises are well run since they are not subject to competition. A private owner, often a specialist in one aspect of economics, can better evaluate performance. Furthermore, the government has no incentive to make sure a public enterprise is lucrative since, unlike a private owner, it can raise money from taxation should revenues be insufficient. Thus, over time, privatization will lead to improved quality, more choices, and less corruption.

The sixth characteristic of neoliberalism—foreign investment—seeks long-term commitment of international actors to domestic enterprises. Foreign investment incorporates local people and products in production, but ownership and upper-level management often remain foreign (Vanden 153). Foreign investment historically dominates cash crops, which are more capital intensive. Proponents argue that foreign investment will stimulate economic activity by encouraging the development of certain industries, infusing failing economies with capital, and courting foreign participation in small economies.

The final neoliberal characteristic is debt payment rescheduling. Developing countries borrowed start-up capital to support new export industries, obtain the technology necessary to compete in a liberalized market, and support the other outwardly oriented neoliberal policies. Many countries fell into "debt-led growth" in which they borrowed in order to compensate for the net outflows of funds. During the Petroleum Crisis of 1973-74, external debt jumped as economic growth slowed. The international finance institutions designed elaborate debt repayment schedules which allowed African countries to service debt while continuing to borrow. Loan forgiveness, loan repayment, as well as new loans, became laden with conditions, most demanding stricter adherence to structural adjustment. In the 1980s, the IMF and World Bank attached conditions to ensure loans were eventually repaid; now loan conditionality forms a new tool for social re-engineering, requiring governments to comply with more free market related and governance reforms.

Neoliberalism is an expansive philosophy. There is no universal consensus even among its supporters as to what neoliberalism is. The above seven policies most frequently accompany neoliberal transition and serve as good general guidelines to the economic model.

Neoliberalism in NEPAD

NEPAD shares five of the seven neoliberal policies listed above: trade liberalization, export promotion, reduced government spending, privatization, and foreign investment. Additionally, it urges private sector promotion and political liberalization, both of which support the goals of the first five measures.

NEPAD establishes itself within the neoliberal framework by recognizing the primacy of trade liberalization and export promotion. NEPAD attacks customs procedures and trade barriers; while applauding the "significant improvements" in terms of lowered tariffs in recent years, NEPAD insists that African economies are impeded by continued tariff and non-tariff restrictions (NEPAD 50). With regard to export promotion, NEPAD calls for the development of industries where African countries have comparative advantage, including agro-based industries, energy, and mineral resource-based industries. It further demands the reduction of export taxes and the encouragement of foreign direct investment. (NEPAD 43-48). NEPAD calls on both African states and the international community to assist in export promotion by building up the capacity of the private sector, strengthening the state's capacity for trade negotiations, and implementing the rules of the World Trade Organization (NEPAD 48).

Like previous IMF and World Bank policies, NEPAD encourages reduction in government spending and privatization. NEPAD argues that only when African states establish domestic savings will they be able to address infrastructure and social service crises. In order to augment domestic savings, NEPAD calls for streamlined bureaucracies, improved public revenue collection systems, and the rationalizing of government expenditures (NEPAD 37). NEPAD also promotes the privatization of public enterprises as a means of reducing government costs and cultivating a liberalized market. NEPAD's architects repeatedly call on African states to abolish limitations on the private sector: "Governments should removed constraints on business activity and encourage the talents of African entrepreneurs" (NEPAD 40).

Accepting the West's position that government regulation hinders economic growth, NEPAD specifies a number of sectors (such as manufacturing) where privatization is necessary (NEPAD 49).

Finally, NEPAD stresses the primacy of investment. NEPAD's architects found this aspect of neoliberalism so seminal that it holds a place as one of NEPAD's four main goals (good governance, regional integration, new partnership with the West, and foreign investment). NEPAD proclaims foreign investment as the key to Africa's development as it will stimulate domestic private markets, export markets, and infrastructure development. Investment's positive impacts will move beyond the domain of economics and will infuse the African state with the capital necessary to address the health care and education crises.

NEPAD heavily emphasizes two neoliberal characteristics not covered in the first part of this chapter: private sector promotion and democracy. NEPAD positions most of its policies decisions within the larger goal of strengthening the private sector at all levels, from micro-enterprises in the informal sector to large enterprises in the formal sector. Regardless of the objective—be it technology innovation or women's empowerment—NEPAD cites the private sector as the means by which African states will procure the necessary resources for policy implementation. NEPAD signatories commit to ensuring a sound environment for private sector activities with particular emphasis on domestic entrepreneurs, promoting foreign direct investment and trade with special emphasis on exports, and diversifying small enterprises. In order to achieve these objectives, NEPAD calls on African states to enhance the entrepreneurial, managerial and technical capacities of the private sector; strengthen chambers of commerce; and remove government constraints on private sector development (NEPAD 43-46). So essential is the private sector to Africa's development that NEPAD institutes a separate "Private Capital Flows Initiative." In order to improve capital flow, African states must seek to address investors' perception of Africa as a "high-risk" continent (NEPAD 39). Proponents argue that pursuing this initiative will eventually fill the resource gap. NEPAD's "private sector mantra" represents a more far-reaching embrace of neoliberalism than has ever been seen on the continent. By placing such a heavy focus on private sector promotion, NEPAD does not deviate from neoliberalism but embellishes the policy framework already given to it by the international finance community. The IMF and World Bank certainly support private sector development, yet NEPAD's strong and repetitive language places this goal in the foreground of the framework.

The final neoliberal characteristic of NEPAD is not economic, but political. NEPAD emphasizes political liberalization and good governance, linking stable democracies to increased foreign investment and macro-economic stability. Neoliberalism began as an economic paradigm but slowly transformed into an entire socio-economic, political-administrative paradigm. Neoliberalism's emphasis on good governance grew throughout the 1990s as the IMF and World Bank began to conditionalize their financial support on democratic behavior. Arguing that the political environment heavily influences the economic environment, NEPAD includes peace, security, democracy and political governance initiatives.

NEPAD embodies a neoliberal framework by supporting the general tenets of free trade that have historically accompanied structural adjustment. The architects of the policy went even further to ensure Western support by using terms associated with Western conceptions of development, most notably private sector and good governance. Resisting the previous tendencies to blame Africa's poverty on the West, NEPAD uses friendly language toward the West. While African leaders created NEPAD of their own volition, adoption of Western language reflects an understanding that NEPAD will not survive without support from the developed world. Consequently, NEPAD encounters criticisms from those who believe its priorities and language are tailored more for international support than for Africa. For example, NEPAD's scant attention to AIDS contradicts what surveys say is the top priority for African leaders. In South Africa, Senegal, Algeria, Kenya, Uganda and Zimbabwe, a survey of political elites revealed that they regarded HIV/AIDS as the most problematic issue (Kotzé 76). Critics argue the emphasis on "security, democracy, and political governance" takes priority over AIDS and other important tasks such as human resource development and poverty eradication (Edozie 165). Such criticism suggests that NEPAD does not reflect Africa's priorities but is tainted by Africa's need for international support. Continental critics consider NEPAD a "begging bowl" for more unneeded Western intervention.

NEPAD: "African Owned and Operated"

While NEPAD's emphasis on free trade economics and Western conceptions of good governance gives it an undeniably neoliberal flavor, NEPAD does not simply mimic Western tradition. While positioned squarely in the neoliberal paradigm, NEPAD injects its policies with an African nationalism. It also rejects the interests of the developed world by promoting unbridled access to Western markets, regional trading blocs, and debt cancellation.

Perhaps the clearest evidence of NEPAD's African nationalism is its introduction. NEPAD opens with a list of Africa's accomplishments and emphasizes the international community's past, present, and future dependency on Africa. From minerals to arable land, the natural wealth of Africa remains unrivaled. Its pristine environment and rich rainforests make Africa the world's "ecological lung." Moreover, most cultures depend, at least in part, on the richness of Africa's culture. NEPAD even reminds its readers that Africa is the cradle of civilization and that it holds the archaeological sites containing evidence of the origins of the earth and the human race (NEPAD 3). While recognizing that Africa's plight has been aggravated by poor leadership since independence, NEPAD reflects past nationalist philosophies by establishing the West as responsible for Africa's woes: "The impoverishment of the African continent was accentuated primarily by the legacy of colonialism, the Cold war, the workings of the international economic system, and the inadequacies of and shortcomings in the policies pursued by many countries in the post-independence era" (NEPAD 4). With an echo of past African nationalism, NEPAD calls for pride and self-reliance.

NEPAD begins to seriously challenge the interests of neoliberalism's creators by demanding that the international community allow Africa unbridled access to Western markets. NEPAD argues that Africa cannot realize the full potential of its export markets until the developed world provides it with open, predictable and geographically diversified markets (NEPAD 48). NEPAD claims market access lies in the reduction of trade barriers in the developed world. Using the West's language against it, NEPAD demands that the West drops subsidies in its own countries and allow Africa to compete in those industries where it holds a comparative advantage (50). While NEPAD is justified in this demand according to the tenets of neoliberalism, the West has been extremely reluctant to reduce trade barriers. The United States is actually increasing trade barriers against imports of South African fruit (Fagan). The only G8 country to heed NEPAD's call is Canada, who removed tariffs on most imports from the world's 50 poorest countries. While the gesture appears laudable, shipments from those countries comprise only about 0.1% of Canadian imports, and the fine print reveals that Canada refused to extend this trade liberalization to agriculture, one of the industries in which Africa is internationally competitive (Fagan).

NEPAD deviates from the policy platform of the developed world further by insisting on regional integration. NEPAD proposes that member countries of the African Union create regional trading blocs. The bloc restricts non-member trade activity by the imposition of high tariffs on their exports. Conversely, member countries trade freely within the bloc. Proponents of regional trading blocs argue that effective African economic integration can provide a buffer against the negative effects of globalization and can lessen the continent's dependency on developed countries. It will also promote bigger markets that can benefit from the continent's large population and large-scale industrial production. NEPAD's architects further argue that trading blocs will discourage import substitution-led industrialization that protects non-viable establishments. Trading blocs will minimize the duplication of industries that operate at a less than optimal capacity as only high-volume, low-cost, specialized industries succeed (Ilorah 228-231). The emphasis on trading blocs not only seeks to strengthen individual economies by reducing wasteful industries, but also seeks to extend development to all corners of Africa. NEPAD insists that "Africans must not be wards of benevolent guardians; rather they must be the architects of their own sustained upliftment (6)."

Developed countries oppose regional trading blocs, ostensibly because they are ineffective, in reality because they reduce Western influence in individual African countries. According to the West, trading blocs will be ineffective because not all member countries are at an equal level of development. The majority of Africa's export activity is concentrated in a few countries: Egypt, Morocco, South Africa and others. These same countries are responsible for far more investment than the rest of the continent. Opponents of trading blocs argue that all members must be at relatively equal stages of industrial development in order to successfully coordinate their industrial growth patterns. Critics from the developed world also accuse African leaders of being incapable of relinquishing sovereignty to a supranational community body as is required for successful integration (Ilorah 231-234; Taylor 30). In response, G8 countries encourage Africa to maintain the current trading arrangement in which Western countries do business with African countries on a bilateral basis. Western economic powers fear that trading blocs will encourage regulation in order to protect these markets. While trading blocs are justifiable according to neoliberalism, strengthening regional trade within Africa will reduce Western influence in individual countries and will increase competition for Western economies, particularly in agriculture.

NEPAD's approach to aid and debt also reflects African pride as well as a challenge to neoliberalism. While previous frameworks accommodated both foreign aid and foreign debt repayment, NEPAD prefers neither. Instead, it calls for debt cancellation. While Western countries have utilized debt and loan conditionality to perpetuate neoliberalism and strengthen their hold on the African continent, NEPAD argues that debt servicing is contradictory to the goals and ambitions of a neoliberal platform. Under NEPAD's philosophy, any forces that reduce economic self-reliance or establish global relationships that are not mutually beneficial harm the neoliberal project. Thus NEPAD demands that the West forgive debt so Africa can concentrate its resources on developing its private sector.

However, in refusing aid and criticizing loans, the architects of neoliberalism talk themselves into a corner. While NEPAD proposes a number of ambitious development projects—from the construction of universities in every state to the expansion of science and technology—most African states do not have the financial capacity to bring these projects to fruition. Reliance on donor countries and organizations appears the best (and only) option to finance NEPAD. NEPAD does not shy away from this reality:

> The new long-term vision will require massive, heavy investment to bridge existing gaps. The challenge ahead for Africa is to be able to raise the required funding under the best conditions possible. We therefore call on our developed partners to assist us in this endeavor. (NEPAD 13)

Instead of asking for loans, NEPAD asks for foreign investment, thus alleviating the negative consequence of neoliberalism (the need to borrow) with another neoliberal prescription. NEPAD also does not rule out aid as a finance option. African leaders have accepted the various pledges of the G8 countries, multilateral development institutions, other bilateral donor agencies, and non-profits to support NEPAD programs (Teng-Zeng 237-38). Canada supports NEPAD with Can $26 million. The UK increased aid to Africa to GBP60 million. The US plans fund the fight against HIV/AIDS with $15 billion while the European Union contributed $1 billion to the World Health Foundation. Finally, Japan has confirmed a contribution of $1.06 million for African infrastructure and $300 million for health (Masebu).While NEPAD proponents see accepting aid as contradictory to its claims of self-reliance, they justify doing so under the guise of "global partnership." Among its four core goals is the pursuit of a new relationship with the developed world, recognizing that interaction with the Global North is not only inevitable but ultimately beneficial.

Conclusion

NEPAD is neither classically neoliberal nor "African-owned." Instead, it precariously navigates between the two ideologies that for much of the 20th century stood in contrast to each other. NEPAD embraces free-market principles, while tailoring them to benefit African economies. It accepts trade liberalization, but demands that Western trading partners do the same. It accepts self-reliance, but encourages regional trading blocs against the wishes of the West. It recognizes the reality of aid and loans while arguing that these long held practices are actually contradictory to the aims of neoliberalism. It trumpets a new era of African pride while remaining humble before the power of Western purses. The result is a variation on both the Washington Consensus and African nationalism.

CHAPTER 3
ELITE IDEOLOGY TRANSFORMATION

I now turn to the question of what created this variation of neoliberalism and African nationalism. In the following chapter, I explore how elite ideology transformed, thus creating the genesis for NEPAD. The existing literature explains the first of two transformations: African elites transformed from opponents to proponents of neoliberalism. However, as structural adjustment failed to reduce poverty or free African economies from their dependency on the West, African elites once against adjusted their ideology in the 1990s. The pendulum swung back, this time resting in the middle between these two competing philosophies, both of which failed to raise Africa out of poverty. In this chapter, I examine how Senegalese elites abandoned socialism and moved towards capitalism over time and how African development policies during the 1980s and 1990s reflected this transformation. I then examine the events of the 1990s, chiefly Mbeki's "African Renaissance," which created the immediate impetus for African elites to define neoliberalism on their own terms, as opposed to the terms set by the IMF and World Bank.

History of Neoliberalism in Senegal

I use Senegal as a typical example of how African elites abandoned socialism in favor of neoliberalism over time. While countries differ, many experienced neoliberal implementation in a fashion similar to Senegal. Senegal is a particularly interesting example of this transformation because what began as a socialist country eventually elected one of NEPAD's chief proponents to the presidency. I organize my discussion according to three periods which I have defined as follows: the socialist period (1960-1979), the conversion to neoliberalism (1980-1994), and the consolidation of neoliberalism (1995-2001).

During the socialist period, the highly centralized structure of the government allowed the Senegalese state to monopolize power. On December 14, 1962, President Senghor arrested Prime Minister Mamadou Dia, accusing him of attempting a coup d'état. In reality, Dia was unpopular among elites for his policies aimed at grassroots economic independence and political empowerment. On December 19, 1962, Senghor presented a new constitution to the National Assembly, putting significant power in the hands of the president. Among several new additions to the constitution was Article 47, giving the chief executive "exceptional powers" under certain circumstances to be determined at the president's sole discretion. The constitution also granted extensive law-making authority to the president; Article 69 assigns legislative initiative not only to the National Assembly but to the president as well. Under the new constitution, the president had the right to determine the priority of bills under consideration in the National Assembly and could demand "a second reading" of any bill (the equivalent of the American president's veto power) (Schumacher 69-71).

Following the 1962 political crisis, Senghor reversed Dia's policies that had so vexed the political elite. Among Dia's most controversial policies was the Field Administrative Reform of 1960, which encouraged grassroots political rejuvenation throughout rural Senegal. Senghor implemented a set of austerity decrees in May and June of 1963 which significantly reduced the power of local and municipal entities, insisting that rural bureaucrats had neither the training nor the work ethic to play a major role in development. In February 1964, Senghor created the Inspection Générale de l'État (IGE) as a means of enhancing central administrative control and promoting hierarchical authority within public bureaucracies. The IGE monitored the financial and administrative operations of the ministerial departments, parastate agencies, public enterprises, local collectivities, the army, and the judiciary (Schumacher 108-109). By the end of the 1960s, Senghor had replaced most of Dia's reforms with empty promises of grassroots democratization.

Not only did Senghor control the legislative process, he kept himself and other elites of his party in control of the economy. Senghor nationalized most sectors of the economy, including the peanut industry which has played a central role in the Senegalese economy since the French established it as the primary export. Throughout the 1960s, the government made no serious attempts to break Senegal of it dependency on the exportation of peanuts (Gellar 49-54). Senghor further retained control of the economy by inhibiting the process of "Africanization" (replacing ex-patriots with Senegalese businessmen). Discouraging the process of "Africanization" kept the private sector weak and isolated the power of an elite few who had retained wealth from colonization.

Members of the political elite and a few allies from the private sector reaped most of the benefits of the Senghor era. Between 1961 and 1981, the government implemented five economic plans[1] each emphasizing production and productivity. In reality, these plans did little to promote food crops outside the peanut basin, thus relegating entrepreneurs and business elites outside the peanut trade to a role of

[1] First Plan (1961-1964), Second Plan (1965-1969), Third Plan (1969-1973), Fourth Plan (1973-1977), and the Fifth Plan (1977-1981)

secondary importance. The government's economic plans, particularly the second and third installments, called for liberalization of the investment code and an influx of foreign investment, aid, and capital (Gellar 58-64). These economic plans greatly benefited the political elites who had established relationships of patronage with French businessmen operating in Senegalese territory.

While the state basked in its nearly unrestrained power, private business interests grew increasingly frustrated. With the National Assembly rendered useless by the 1963 Constitution and the Economic and Social Council controlled by French interests, indigenous businessmen had little access to the decision making process. Those business elites that did benefit from the country's socialist policies did so because of the patronage of the Senghor regime and not because of any genuine desire on the government's behalf to cater to the private sector.

Although diversification of the rural economy was touted as a major objective of national economic policy since the early days of independence, the government did little to introduce new cash crops. Senghor was not concerned with breaking the peanut monopoly until economic recession rocked the early 1970s (Gellar 49). African socialism discouraged the emergence of large-scale capitalist enterprises in the countryside and fostered the development of rural cooperative structures rather than private plantations. During this time, private business interests did not develop far past the level of merchants or artisans unless they were willing to accept a client relationship with the patron state.

Centralization of power, regulation of the economy, and clientelism defined Senegal under the Senghor Administration. Senghor did not support free market principles; he opposed deregulation, privatization, and trade liberalization. Still, Senghor nurtured a neocolonial relationship with France, investing the entire economy in one cash crop. He recognized the political influence of French ex-patriots and allowed French firms to monopolize foreign investment. While he opposed market reform, Senghor did not oppose heavy French influence and elite control of the state, two characteristics that would play an important rôle in the transformation to neoliberalism.

By the mid-1970s, the heyday of socialism was coming to an end. Political instability and economic collapse coupled with Sahelian drought plagued the late 1960s and early 1970s. Business elites took this opportunity to organize and assert a more vocal position. Economic crisis invited the intervention of the World Bank and IMF and initiated Senegal's transition to neoliberalism.

As the 1960s ended, criticism of the president's power began to grow, even from Senghor himself. The spring of 1968 witnessed a nation-wide outbreak of protests from student groups and unions (Boone, *Merchant Capital* 166). Constitutional reform (ratified by referendum in early 1970) re-established the post of prime minister, limited the president's term, and attempted to upgrade the authority of the National Assembly. Senghor promptly filled the position of prime minister with his young technocrat protégée, Abdou Diouf. Senghor slowly began to lift the restrictions on oppositional political parties, which he had banned during the political tumult of the early 1960s. While publicized as an act of democratization, the legalization of political parties actually helped to secure the power of the UPS by factionalizing the opposition. Abdou Diouf won the first multi-party elections and assumed the presidency in 1980 (Rake 194).

Worldwide economic recession following the Petroleum Crisis of 1973 and with a series of droughts forced Senegal to borrow from international finance institutions. Indebted to the World Bank and IMF, Senghor and Diouf had no option but to comply with their calls for liberalization. Ibrahima Thioub, Momar-Coumba Diop and Catherine Boone argue that "liberalization and restructuring set in motion the most sweeping renegotiation of respective roles of state, foreign, and national capital that Senegal has seen since independence" (65). In December of 1979, Abdou Diouf announced a new IMF-inspired five year economic recovery plan designed to cut government spending, promote economic growth, and reduce Senegal's trade deficits and foreign debt (Gellar 52). In 1984, the government implemented the "New Agricultural Policy" (NAP) which reduced state intervention in the agricultural sector (Ndao 39). The NAP included several initiatives: increased responsibility of peasants for their own economic activity; disengagement of the state through the gradual abolition of the agencies of intervention; and a liberal input policy for seeds and fertilizers whereby peasants dealt with the private sector and paid in cash (Karamoko 65). In 1986, Diouf implemented the "New Industrial Policy" (NIP) in order to "revive the failing industrial sector." The policy included: elimination of quantitative restrictions on imports; adoption of a new customs schedule; simplified and reduced tariff structures; reform of the export subsidy policy; adoption of a new tax system and a new investment code; reform of the labor code; and deregulation (Ndao 39). In just a few years, the IMF and World Bank had forced Diouf to dismantle Senegal's carefully designed controlled economy.

Despite increased cooperation with international finance institutions, the early 1980s remained a period of transition; the Diouf Administration implemented policies aimed at salvaging the economy before wholesale structural adjustment was needed. In an attempt to avoid the IMF-preferred devaluation, the Diouf Administration announced the Sakho-Loum Plan in 1993 which included several measures: doubling the equalization tax, extending the value-added tax to the transport sector, raising gasoline and energy taxes, forcing all private enterprises to take out state loans, and reducing public sector salaries by 15% (Creevey 671). The Sakho-Loum Plan, while reducing state spending and intervention, did not try to reverse the socialist state but rather sustain it.

As a result of political and economic liberalization, the UPS's old strategy of control via clientelism disappeared. The government no longer had the capacity to play gatekeeper and could no longer use its wealth to encourage cooperation. New centers of economic clout and power developed independent of the state. Thioub et al. argue that the 1970s witnessed the crumbling of the "neocolonial order" and the fractionalization of the old Senghoriste political elites. The ascending commercial interests further splintered old political classes and in the process weakened Senegal's long history of patronage (82).

As the state loosened its grip on the economy, business elites quickly assumed power. Government-business relations began to change during the late 1970s and early 1980s as "Africanization" of the private sector and growth of the informal sector ate away at the long-held commercial monopolies of the French trading houses. These processes encouraged the growth of a new aggressive stratum of Senegalese entrepreneurs who began to compete directly with Senegal's foreign-owned commercial and industrial firms (Thioub et al. 70-71).

Following liberalization, Senegalese entrepreneurs began to flourish. During its recovery from the 1983 drought, Senegal's real growth rate averaged 4.2% or 1.3% per capita, the highest period of per capita growth in many years. Increased producer prices helped boost peanut and rice production, while the removal of geographical and other marketing restrictions encouraged greater output of millet, sorghum and maize (Weissman 1624). While the growth of business elites during this transition was notable, it remained limited by the influx of foreign capital and foreign aid as well as by the continuing economic crisis. Although the crisis continued through the 1980s, indigenous businessmen in the first part of the decade directly benefited from economic policy for the first time in Senegalese history.

Consolidation of the neoliberal paradigm occurred in January 1994 when the state acquiesced to IMF and World Bank demands for a 50% currency devaluation of the CFA Franc. Despite attempts to float the economy, the Diouf Administration could not foster the type of economic growth his lenders demanded. From this point on, political elites stopped trying to hold off neoliberalism and fully embraced structural adjustment with all its social consequences. The public reaction was immediate. Senegalese newspapers screamed betrayal by the regime. The inflationary spiral which accompanied devaluation provoked violent riots in the streets of Dakar (Creevey 669). The prices of necessary items (such as tools, fuel, and especially food) jumped significantly (Martin 19). Yet, amidst all this pandemonium, the IMF and World Bank glowingly claimed the measure was a success: real producer prices for the peanut market increased which helped boost production (Weissman 1624). However, the majority of the Senegalese population did not feel the impact of this positive development because food prices rose without any corresponding increase in wages (Anani 68).

Elected in 2000, President Abdoulaye Wade continued Senegal's neoliberal agenda. In June 2000, Senegal entered into the Highly Indebted Poor Countries (HIPC) Initiative, following its submission of an interim Poverty Reduction Strategy Paper. Under HIPC, Senegal's debt is expected to be reduced by US$850 million over a 10-year period. However, reaching the "Completion Point" and receiving this debt relief demands first that the state implement adjustment requirements established by the IMF and World Bank (Ndao 30). Additionally, the Senegalese government continues to pursue a donor-supported economic reform program, as outlined in the IMF's three-year poverty reduction and growth facility (PRGF). In 2005, the government privatized the peanut parastatal and the telecoms sector at the behest of the World Bank, leading to massive layoffs. By 1990, 2,000-4,000 jobs were lost in the 30,000 job strong parapublic sector and official wage restrain policies reduced the average worker's purchasing power by about 30% (Weissman 1629).

Implementation of neoliberalism in Senegal spanned nearly four decades. Upon gaining independence, Senegalese elites resisted free market principles entirely. However, as the 1980s progressed, the economy declined, new international finance institutions gained power, and Senegal found itself highly indebted to the world's most staunchly neoliberal entities. The transition to neoliberalism was slow and compromised; Diouf released control over the economy gradually and with much negotiation. Today the transition is complete as President Wade embraces neoliberalism in stark contrast to his two predecessors.

Ideological Shifts in African Development Policy

The shift of elite ideology in Senegal reflects a greater continent-wide shift in ideology. Development frameworks from 1980 to 2001 show how African elites in general began to reverse their opposition to neoliberalism. NEPAD is grounded in ideological developments starting in the 1990s; yet placing it in its larger historical context illuminates the drastic change in development ideology that it represents.

In 1980, the Organization for African Unity (OAU) adopted the "Lagos Plan of Action," which espoused a classic dependency interpretation of Africa's economic crisis. The architects of the Lagos Plan took aim at exogenous factors, blaming Africa's suffering on historical injustices. The solution, then, was a far-reaching regional approach based primarily on collective self-reliance. Wade described the Lagos Plan as seeking "a fresh approach—nationally, sub-regionally and regionally—to the major problems that African countries would be facing in the long run" (OMEGA Plan 2).

The following year, the World Bank published its response to the Lagos Plan, entitled "Accelerated Development in Sub-Saharan Africa," more commonly known as the Berg Report. Directly contradicting the Lagos Plan, the Berg Report held African leaders wholly responsible for the crippling economic stagnation, blaming Africa's problems on corruption and mismanagement. As its solution, the World

Bank insisted on structural adjustment programs (Owusu 1657). Given the reality that donor funds determine policy implementation, African leaders had little choice but to acquiesce. African leaders learned an important lesson from this early confrontation with the World Bank: blaming Africa's underdevelopment entirely on exogenous factors was not an effective strategy. From this point on, African leaders acknowledged their own role in Africa's crisis, and subsequent African initiatives recognized the inevitability of compromise with the international community (Owusu 1658).

In 1985, the OAU published another proposal entitled the "African Priority Program for Economic Recovery 1986-1990" (APPER) which embraced ideas from the Berg Report. Most notably, APPER extolled the virtues of "shared responsibilities" and "genuine partnership" (two themes that figure prominently in NEPAD). APPER stressed the need for policies that address the fundamental causes of global inequalities. However, African leaders continued to submit to structural adjustment programs, understanding now that SAPs were a prerequisite for access to international aid (Owusu 1658).

In 1989, African leaders tried once again to challenge the neoliberal discourse with the "African Alternative Framework to Structural Adjustment Programs for Socio-Economic Recovery and Transformation" (AAF-SAP). This policy contended that SAPs focused exclusively on economic issues, ignoring the reality that Africa's development challenges extended beyond economics. That same year the Bank published yet another major report on Africa called "Sub-Saharan Africa from Crisis to Sustainable Growth: A Long-term Perspective Study." The report responded to

Africa's criticisms of SAPs by re-emphasizing the efficacy of its programs. Although the Bank changed its rhetoric in the 1989 report, it remained confident in SAPs and did not significantly alter its policies. As a result, SAPs replaced any form of development planning in Africa for the next decade, and African leaders surrendered their right to design and implement policies for their countries (Owusu 1659-60).

By the dawn of new millennium, the persistence of underdevelopment compelled both international finance institutions and African leaders to reevaluate their development approach. Each produced a policy framework that mirrored the other to an astonishing degree. In 1998, the Bank published the "Comprehensive Development Framework" (CDF). CDF is based on four principles: 1) a holistic long-term strategy (recognizing that SAPs did not address development beyond macro-economic stability); 2) ownership of the development agenda by the country in question; 3) stronger partnership among governments, donors, civil society, the private sector, and other development stakeholders; and 4) a transparent focus on development results. CDF exhibits a goodwill effort to hand the reigns over to Africa; however, it continues to place all of its development prerogatives firmly within the neoliberal framework (Owusu 1660-62).

In addition to CDF, the IMF and World Bank attempted to give their policies the semblance of "national ownership" by creating the Poverty Reduction Strategy Papers (PRSPs) in 1999. Theoretically, PRSPs allow poor countries to devise their own social and economic priorities through consultations between governments, business, and civil society. International financial institutions ostensibly play a supportive role. Yet even this strategy depends on strict conditions; the program rewards countries that achieve certain benchmarks in economic reforms with further loans while punishing non-performers with funding cuts (Mutume). Shortly after the publication of CDF and the creation of PRSPs, Mbeki and Wade began work on NEPAD. Abandoning the confrontational tone of earlier frameworks and embracing neoliberalism, NEPAD has more in common with CDF than it has with past African initiatives (Owusu 1663-65; Ilorah 224; Ferguson 274).

NEPAD's roots reach deep into a long history of policy negotiation and transformation between the developed world and Africa beginning in 1980. While NEPAD is by no means the first African-born development initiative, it is the first policy framework to satisfy the expectations of the international finance community and therefore the first to garner significant support and momentum. So far, I have explained NEPAD as the result of shifts in elite ideology, evident in the history of Senegal and continent-wide development projects. During the 1980s, the pendulum swung far in the direction of neoliberalism; during the 1990s, it was to swing back, landing in the middle, combining African nationalism and Western economics.

Ideology Transformation in the 1990s

The immediate story of NEPAD begins in the mid-1990s, when an apartheid-free South Africa emerged as the continent's newest political actor. In the late 1990s, newly-elected South African President Thabo Mbeki coined the phrase "African Renaissance," rallying bureaucrats, intellectuals, and policymakers to the cause of African development via African nationalism. Much of Mbeki's program for Renaissance recycled familiar African nationalist themes. His speeches celebrated the achievements of African civilization and the tenacity of the African people. By invoking pan-African pride, Mbeki sought to renew the commitment of Africans to their own development. This sense of self-reliance provided the philosophical foundation for NEPAD by justifying the creation of a development policy *by* Africans and *for* Africans (Ferguson 273).

In many ways, however, Mbeki's platform represented a rupture with the pan-African nationalism of earlier years: Mbeki's idea of African sovereignty and self-reliance did not exclude the influence of the developed Global North. Mbeki's post-independence nationalist predecessors of the 1960s and 1970s preached an expulsion of the West from Africa. Post-independence African nationalists adopted anti-imperialism as a significant tenant of their philosophy, arguing that the West bore responsibility for Africa's poverty. Conversely, Mbeki actively embraced Francis Fukuyama's notion of the "end of history": democracy and free-trade economics are the only game in town. The success of "African self-reliance" depended on Africa's willingness to accept Western imported government and economic paradigms. South African Finance Minister Trevor Manuel describes the combination of African nationalism with Western economics:

> There is a new resilience and a new will to succeed in the African continent. We in South Africa have called it a renaissance, a new vision of political and economic renewal. It takes the global competitive marketplace as point of departure (quoted in Melber 2).

While Mbeki's ideology energized African populations by praising their culture and unique contributions, it duly noted that the time had come to start playing by the rules of the Western-dominated, neoliberal global market.

Mbeki broke further ties with previous African nationalists by engaging in unapologetic self-criticism. Whereas previous African nationalists blamed Western exploitation for Africa's poverty, Mbeki pointed the finger at corrupt African politicians. Mbeki ruffled the feathers of the African intelligentsia when he said: "We are the corrupter and the harlot who act together to demean our continent and ourselves" (quoted in Ferguson 274). Mbeki's Renaissance encouraged a moral cleansing of the African elite and a purge of the last vestiges of the corrupt socialist politicians.

Mbeki formalized the African Renaissance in a policy framework called the "Millennium Africa Renaissance Program" or MAP. Mbeki presented MAP to the World Economic Forum in Davos, Switzerland on January 28, 2001. In his presentation, Mbeki referred to MAP as "a declaration of a firm commitment by African leaders to take ownership and responsibility for the sustainable economic development of the continent" (quoted in Melber 3). MAP focuses on market access, noting that from 1948 to 1998 Africa's share in world merchandize exports fell consistently from 7.4 percent to 2 percent. Mbeki argues for changes in the international trade regime that would open up markets to Africa. Mbeki calls for better integration into the global market place via the extension of preferential trade agreements to Africa and more participation by Africa in the WTO. While mention is made of African regional trading blocs, intra-African trade, and trade among the Global South, MAP overwhelmingly focuses on the relationship between Africa and the developed world and talks in the language of trade liberalization and export promotion. In addition to market access, the private sector plays a large role in MAP. Mbeki's development initiative relies heavily on increased domestic and foreign development and a diversified private sector. In addition to market access, robust private sectors hold the key for African development as they generate the capital necessary to fund education, health, and infrastructure.

At the May 2001 Conference of Ministers of the UN Economic Commission for Africa (UNECA) in Algiers, Algeria, President Wade presented his own "OMEGA Plan for Africa." The OMEGA plan mirrored MAP in many regards; the plan emphasized better market access, increase private sector activity, and better governance. Wade's plan, however, severely criticized past development initiatives. Wade described the result of SAPs as "rather mitigated, with growth neither strengthened nor sustainable and poverty deepening and mainly affecting rural people and women, thus placing the entire social and political system at risk" (2). The OMEGA Plan differed from MAP by emphasizing debt relief and condemning the continent's reliance on foreign aid: "Credit has led to debt deadlock, which, from installments to re-scheduling still exists and hinders the growth of African countries" (OMEGA Plan for Africa: An African Strategy for Globalization, 2). Additionally, the OMEGA plan relied more heavily on regional integration:

> The OMEGA Plan makes a clear break with the vision of self-sustaining national development conducted by a developing State and relies principally on an economic construct built within the framework of regional integration. (4)

Wade argued that continent-wide development first required cooperation and growth within the different regions (West, East, Central, Southern and North Africa). UNECA decided that MAP and OMEGA should be merged and re-evaluated at the African Union Summit in Lusaka, Zambia.

The Heads of States adopted the merged draft—a "New African Initiative" (NAI)—at Lusaka on July 11, 2001. NAI reiterates MAP and OMEGA's call for better market access, increased investment, and improved governance. It places all of

MAP and OMEGA's policy suggestions under the umbrella of poverty reduction via African nationalism:

> We are convinced that an historic opportunity presents itself to end the scourge of underdevelopment that afflicts Africa. The resources...to launch a global war on poverty and underdevelopment exist in abundance, and are within our grasp. What is required to mobilise these resources and use them properly is bold and imaginative leadership that is genuinely committed to sustained human development effort and poverty reduction, as well as a new global partnership based on shared responsibility and mutual interest. (2)

While MAP and OMEGA had been the pet projects of individual presidents, NAI received endorsement from government leaders across the continent, thus solidifying the rhetoric of a new *African* policy framework.

At a meeting in Abuja, Nigeria on October 23, 2001, the Implementation Committee of Heads of States renamed the document the New Partnership for Africa's Development (NEPAD). The initiative had by then matured under the guidance of Mbeki's Renaissance and under power-sharing arrangements between the more influential African countries—Nigeria, South Africa, Algeria, Egypt and Senegal (Melber 2-3).

Conclusion

NEPAD has spurred significant amounts of scholarship focusing on the future of Africa: where will NEPAD lead? Will it be successful? What is the future for development in Africa? I choose to look back from NEPAD: how can we understand this new development given the history of neoliberalism in Africa? While NEPAD is hailed as new and revolutionary, it is indeed part and parcel of a much longer process of ideology transformation spanning close to three decades.

The ideological transformation is two-tiered. First, elites abandoned nation-building ideologies in favor of IMF and World Bank neoliberalism. This transformation was incremental and contentious. African elites were not willing recipients of structural adjustment during the 1980s. Even when the consolidation of neoliberalism occurred in the 1990s, African elites remained critical of structural adjustment's failure to alleviate poverty. Thus, a second ideological transformation occurred in the 1990s, spearheaded by Mbeki's African Renaissance. With MAP and OMEGA, Mbeki and Wade revitalized the nationalist debate by contextualizing it within neoliberalism. The result was a new variation of the two ideologies, a new framework, and a new direction for Africa.

CHAPTER FOUR
AFRICAN-WESTERN DIPLOMATIC TRANSFORMATION

As elites underwent ideology transformation, they adjusted their relationship with the developed world accordingly. As the 1990s progressed and structural adjustment grew increasingly contentious, African elites began to criticize the West for its mismanagement of the African economies. However, this criticism did not echo earlier generation's accusations of neocolonialism. Instead, these criticisms focused on how the West misapplied neoliberalism, thus recognizing the legitimacy of the framework. The pendulum of diplomatic relations came to rest in the middle as African elites established relationships of both criticism *and* cooperation with the West. NEPAD embodies this paradoxical relationship as it embraces Western economic ideologies but establishes Africa as a "self-reliant" entity. I begin this chapter with an explanation of diplomatic relations between Senegal and France during Senegal's socialist period and during its transition to neoliberalism. I then consider Wade's current diplomacy and how it differs from that of his predecessors. Finally, I will analyze how this diplomacy influenced the creation of NEPAD.

<u>Senegal's Relation with the West under Senghor and Diouf</u>

While Senghor took notable steps to reduce the vestiges of colonialism, he did not seek to break Senegal's dependency on France. Michael Crowder describes Senghor has exhibiting a "self-conscious attempt to break with the colonial past," though he recognizes that at no time has this implied a rupture with France (117). To begin, Senghor did little to reduce French control of the Senegalese economy. France almost exclusively bought Senegal's peanuts; in 1962, France purchased 800,000 of the 900,000 tons of exported peanuts. Senghor promised to reduce Senegalese dependency on France by eliminating the French subsidy of the peanut trade; however, realizing the paralyzing consequences of such an action, Senghor reduced the subsidy incrementally by negligible amounts. In return for its generous prices for peanuts, France demanded guaranteed importation of French products by Senegal. Senegal's importation of milk products, cloth, automobiles, alcohol, and electrical appliances comprised 50-70% of total Senegalese imports. The presence of French troops in Dakar provided an additional 10% of the national income. Senegal's economic dependency on France extended to education, as France controlled the University of Dakar, providing the salaries of over 150 professors as well as the cost of construction (Crowder 117-119).

Senghor made limited attempts to seek aid from countries other than France. He solicited assistance from the European Common Market, a body which provided economic aid from funds supplied by member countries. Ironically, France was one of the major contributors to the fund, thus this move did not truly represent an attempt to move out of France's sphere of influence. When Senghor did solicit assistance from other countries, he was largely unsuccessful. The United States, Great Britain, and others did not view Senegal's protected economy favorably. Anticipating the great difficulty in penetrating the French-controlled market, other countries exhibited reluctance in committing substantial aid to Senegal (Crowder 118-119).

Senghor's chief diplomatic ties remained with France, and his foreign policy reflected his deep personal loyalty to the former colonizer. From 1958 to 1969, French President Charles de Gaulle insisted on paternalistic relationships with

Senegal and other former French African colonies, promising financial and technical assistance in exchange for fidelity to France. Like the French, Senghor opposed the domination of world politics by two superpowers, regarded France as the natural leader of Europe, and saw an alliance between Europe and Africa as the best option for deterring superpower dominance (Gellar 84). De Gaulle's successor, Georges Pompidou (1969-1974), relaxed the paternalist attitude towards Africa. Yet, this did not significantly alter Senegal's relationship with France. The ties between the two countries were perhaps strengthened, thanks to Senghor and Pompidou's personal friendship dating back to their college years. Pompidou's successor, Valery Giscard D'Estaing (1974-1981), resumed the pursuit of Gaullist policy of military intervention in Africa. Unsurprisingly, Senegal followed suit, supporting France's military action in Chad, applauding France's role in ousting the Bokassa regime in the Central African Empire, permitting France to use Senegalese air bases, and sending forces with France into Zaire (Gellar 85).

Upon assuming the presidency in 1981, Abdou Diouf continued Senghor's pro-Western foreign policy. While building closer ties with the United States and Canada, Diouf maintained close political relations with French President François de Mitterrand and the French Socialist Party, loyally backing France's foreign policy agenda and military presence in Africa. In 1993, Edouard Balladur assumed the position of French Prime Minister. A staunch anti-immigration conservative, Balladur insisted that French economic aid be tied to economic reform policies and to IMF guidelines. Jacque Chirac's victory in the French presidential elections of 1995 assured the continuation of warm French-Senegalese relations. Diouf continued to give preferential treatment to French banking and commercial interests operating in Senegal while Chirac continued to be Senegal's number one trading partner (Gellar 86-87).

Senegal's Relationship with the West under Wade

Like many African leaders of his generation, Wade's relationship with former colonizing power began at an early age. He received his education in France, first in mathematics at le Lycée Condorcet de Paris and then in economics from l'Université de Grenoble and l'Université de Paris. Wade's French degrees support Dezalay and Garth's assertion that world powers use education as a means of influencing Global South power fields. In addition to his long ties with France, Wade worked for a number of years as an economic consultant to transnational bodies, including the Organization of African Unity and the African Development Bank (Ndiaye 10). During this time he participated in multilateral diplomacy and witnessed the rapidly accelerating rate of globalization.

While President Wade recognizes Senegal's special relationship with France, he expanded diplomatic relations considerably. Within months of election, Wade conducted his first visit to France as Senegalese Head of State. He then returned to France for his second visit a few months later in June of 2001. The following week, he visited the United States and Tokyo (Wade to Lobby). In 2005, the media speculated that relations between Dakar and Paris were souring. In an interview on February 2, 2005, Wade reassured the BBC that "since I assumed office as Head of State of Senegal, there has never been any cooling off of relations between France and Senegal, much less between Jacques Chirac and myself" (Senegal's Wade

Denies). When asked if the recent visits of George Bush to Senegal signaled a change in Senegal's allegiances, Wade replied "We are, after all, an independent country that must have relations with everybody…How can a country avoid having good relations with the world's greatest power?...I am a friend of President Bush because we hold several similar views, because I have always been a great admirer of the United States." Wade has made a special effort to obtain face time with the G8 during its summits. The G8 received Wade in Tokyo before the 2000 summit in Okinawa, Japan. The following year, Wade participated alongside the presidents of Mali, South Africa and Nigeria as Africa's spokesperson at the G8 summit in Genoa, Italy. In 2004, Wade was invited to the G8 Summit in Savannah, Georgia.

Wade's efforts to work with leaders of developed nations have nurtured a reciprocal attitude. In February 2005, Chirac initiated the first visit to Senegal by a French head of state in nearly a decade (Dakar Decked out for First Visit). During the visit, the two leaders enthusiastically congratulated each other—Wade for being such a visionary and Chirac for being one of the few world leaders truly committed to eradicating poverty in Africa. Wade said of Chirac: "Personally, I have never in my life heard the leader of a developed country talk in such a way about Africa. He said, let us not forget that Africa is the birthplace of humanity…He also said, we must truly listen to Africa and support the plan, the African Common Initiative[2]" (Senegalese President Commends G8). Chirac is not the only notable leader to visit Senegal; in 2002, Tony Blair became the first British prime minister to visit Senegal (Thomas). George Bush made Senegal the first stop on his tour of Africa in 2003 and warmly

[2] African Common Initiative becomes NEPAD.

received Wade in Washington when he won the National Democratic Institute's W. Averell Harriman Democracy Award (Senegal's Wade Denies).

When Wade assumed the presidency in 2001, he had already been formulating a new ideology that separated him from Presidents Senghor and Diouf. Significantly older than President Diouf, Wade had watched as both socialism and orthodox structural adjustment failed. In 1965, Wade published an article on self-sustainable growth, which he defined as a combination of saving, investing, and consuming. While this philosophy embraced free trade principles, it also was heavily inward-focused, calling for internal investment and development free from international influence (Mori). In 1990, he described his political philosophy as "a philosophy of liberty, not in a Western sense but in the African sense of the term…We are free, but it is the situation of a certain group solidarity" (Ndiaye 22). These quotes represent the combination of Western and African philosophies in nascent form. Senegal's first president, Senghor, was the father of negritude, a literary movement which sought to unite Africa under a new identity, separate from the one incurred under colonialism. Senegal's second president, Diouf, introduced neoliberalism into the country and deconstructed the socialist, nation-building project of the previous generations. Senegal's third president fell in between these two positions; while Senghor and Diouf clung desperately first to socialism and later to structural adjustment, Wade blazed the trail for a third alternative.

This ideology is reflected in Wade's diplomatic relations. While President Abdoulaye Wade maintains close relationships with G8 countries, he also separates himself by subjecting developed world leaders to carefully constructed criticism. For example, Wade heavily criticizes agricultural subsidies in the developed world, estimated at $1 billion per day. He accuses the developed world of not complying with the free trade policies it forces on Sub-Saharan Africa: "Their impact is that African agriculture will not compete with their markets or theirs in ours" (Masebu). Wade has rebuked anti-globalization protestors in the Global North for not focusing on this issue:

> While the anti-globalization demonstrators are brandishing placards, their countries are still subsidizing their agricultural products to the tune of billions, hence preventing our products from being competitive. Four African states are now unable to export their cotton yield because the production of the North is subsidized. What are the demonstrators doing on this issue? (Wade Slams anti-Globalisation)

He also snubs the West's insistence on exports, arguing that African countries should trade with their neighbors before trading with Europe whenever possible. He also argues that surplus food crops should be given to deficient neighbors before being exported to the developed world. Wade has also been one of Africa's strongest critics of Western lending practices: "Neither aid nor loans have helped us. I have never seen a country develop on aid and loans" (Africa Committed). According to Wade, Africa has all the necessary resources for development at its disposal, but international assistance has put it on the wrong track. He criticizes the West for not canceling debt but instead merely re-organizing payment schedules and tinkering with the conditions. Wade described the West's actions as similar to "giving aspirin to a cancer patient" (Wade Rejects Aid). In the same interview, Wade proclaimed that debt is more harmful than AIDS "which is at least predictable while future generations will be obliged to pay not only the principal but the interests."

This criticism, however, does not overshadow Wade's enthusiastic support for Western involvement on the African continent. For example, Wade argues that France is best suited to mediate the civil unrest in Cote d'Ivoire. In an interview, Wade said France was "a factor of *stability*" in Africa and added that French mediation in Cote d'Ivoire would "definitely succeed" because "wisdom will prevail" (France Best Suited). Wade has been generally supportive of Western foreign policy. After September 11, Wade became a leading voice on the African continent condemning terrorism. Shortly after attacks on the United States, Wade organized a conference of African leaders to discuss anti-terrorism actions, greatly pleasing the Bush Administration (Kramer).

Wade finds himself in a paradoxical relationship with the West; he is both collaborator and criticizer. In order to legitimate his governance, Wade needs to simultaneously maintain a position of cooperation with and distance from the developed world. President Wade's legitimacy comes from his ability to attract the recognition and contributions of the developed world without becoming its subservient instrument. Wade's opinion of foreign aid and debt illuminates the paradoxical nature of this relationship. He insists that Africa will never enjoy economic development unless it weans itself from public assistance. Yet, he simultaneously argues that official development aid and cooperation are essential for Africa's future. While Wade stresses the need for national and regional participation to eliminate poverty, he also calls for international efforts. Furthermore, Wade argues that foreign aid and loans ought to be replaced with increased private sector activity, a policy recommendation of the developed world. Thus, while Wade criticizes the

Western practice of financial borrowing, the alternative he suggests originates from Western economics.

Wade's Diplomacy and NEPAD

In drafting NEPAD, Wade sought a middle ground between criticizing and praising the West. He argued that Africa can neither continue on the path it is on, nor can it return to other failed policies; Africa can neither cut ties with the West, nor remain totally under its influence. NEPAD highlights this relationship in three domains. First, NEPAD vacillates as to the degree of European responsibility for Africa's poverty. NEPAD argues that for centuries, Africa has been exploited for cheap labor and raw materials. Colonialism subverted structures, institutions, and values and made them subservient to the economic needs of imperial powers. Europe has denied the continent the generous investment it has provided other countries and thus denied Africa the key to development (5). Despite this harsh critique, NEPAD talks of the developed world as a "partner" with which Africa hopes to "negotiate a new relationship." The architects of NEPAD claim they are avoiding the detrimental tendencies of previous generations to engage in unproductive criticisms of the developed North (51-52). Second, NEPAD vacillates between criticism and cooperation with regard to debt. NEPAD rejects foreign loans as a desirable tool for development. NEPAD calls for the acceleration of debt reduction for heavily indebted African countries and improved debt relief strategies for middle-income countries (53). Third, NEPAD discusses a "new global partnership" which ends the previous neocolonial relations in which Africa played a subservient role. NEPAD embodies the eagerness as well as the reserve of African leaders to engage the West. While the injustices of the past are undeniable, Africa sees collaboration with the West as necessary for development.

Conclusion

The shift in Africa's position vis-à-vis the West is closely connected with the ideological transformation described in the proceeding chapter. As African elites began to moderate their acceptance of neoliberalism and combine "proletariat aspirations" with "bourgeoisie aspirations" they likewise reinterpreted the role the West ought to play in Africa. The change in leadership and diplomacy motivated African leaders to create a framework that captured and legitimized this transformation. NEPAD reflects African leaders' desire to work *with* the Western world, as opposed to work for or work against it.

CHAPTER 5
DOMESTIC AND INTERNATIONAL OPPOSITION

If ideological and diplomatic transformations encouraged African elites to formulate a new approach to development, what force motivated them to finally put these words into action? African elite ideology evolved over time as did their interaction with the West; the confluence of domestic and international opposition to neoliberalism gave them the window to act. Opposition to neoliberalism led to the creation of NEPAD in two ways. First, domestic opposition forced African elites to redefine neoliberalism as more palatable for the African population. African elites did not want to do away with neoliberalism entirely, but the failure of structural adjustment to alleviate poverty agitated African electorates and jeopardized the paradigm's stability. In order to protect neoliberalism on the continent, African elites needed to market neoliberalism as their own novel idea. Secondly, international opposition to neoliberalism directed at the IMF and World Bank made the international finance institutions more receptive to African partnership. Seeking to avoid the label of "neocolonizers," the leaders of developed countries welcomed African initiative in taking ownership for development. While domestic opposition forced African elites to present an alternative, international opposition gave them the opportunity to confront the Washington Consensus.

<u>The Failures of Structural Adjustment in Senegal</u>

As the 1990s progressed, the seven structural adjustment policies discussed in Chapter 2 failed to benefit the bulk of the Senegalese population. Currency reform, export promotion, trade liberalization, investment, privatization, reduced government spending, and debt payment scheduling benefited Senegal's elites while further burdening the majority of the population.

Currency reform reduced the purchasing power of the middle and lower classes and marginalized small and medium sized businesses. Devaluation produced a devastating inflationary spiral in Senegal. 50 CFA francs now valued 1 franc. This change resulted in significant price hikes for necessary items such as tools, fuels, and especially food (Martin 19) without any corresponding increase in wages (Anani 68). Likewise foreign currency auctioneering did not produce the advertised benefits for small and medium sized business that could not access the auctions once they were moved to the private sector. A small number of firms, most of them foreign-owned, inevitably received the vast majority of foreign exchange, putting elite business interests in control of foreign exchange supplies (Anani 69-70).

Throughout Sub-Saharan Africa, elites implement export promotion at the expense of the middle and lower classes. In order to support export-oriented economies, governments re-allocated land to large cash crop farms, squeezing out small farmers. Carols Oyo studies the effects of export promotion on small and medium sized farmers in Senegal: these policies marginalized farmers who could not compete with large cash crop farms. Export promotion dominated by large, private agro-business doomed individual Senegalese farmers to produce at ever-decreasing levels. Senegal's export-oriented economy forced small farmers to sell or lease their plots to large-scale farmers, seek off-farm employment in urban areas, or accept employment on cash crop farms (144-155). In addition to marginalizing small and middle sized farmers, Senegalese elites implemented export promotion at the expense of food self-sufficiency. So much arable land is currently concentrated on the peanut trade that Senegal now must import nearly all its fruits and coffee despite its ability to grow these items. One finds a similar situation in Ghana, Kenya, and Coté d'Ivoire. Elites place the emphasis on the monetary returns of exports rather than on diversifying agricultural production. Cash crops are not aimed at feeding people but instead at promoting international trade.

Trade liberalization also negatively impacted entrepreneurs in Senegal's agricultural industry. As the state disengaged from activity in the agricultural sector, peasants found themselves abruptly in charge of their economic activity. The state liberalized the market for agricultural machinery and fertilizers, forcing peasants to deal with the private sector and pay in cash for supplies from private firms (which imported the machinery and fertilizers without tariffs or regulations). This reality causes many small farmers to abandon the agricultural sector (Kane 65).

The devastating effects of new economic policies were compounded by the reduction in state spending. In Senegal, the cut in state expenditures resulted in a cut in subsidies for small businesses and the agriculture industry. Buying farm machinery and fertilizers straight from foreign firms became increasingly difficult. This sudden end of subsidies left farmers ill-prepared to continue their business and many quickly fell into debt. Furthermore, drastic cuts in government spending resulted in cuts in social spending. Senegal has instituted user-charges for education, demanding that parents pay for teacher salaries, school building maintenance, and supplies. Cuts also shifted the burden of health services to individual communities, as the state can no longer fund, or even subsidize, clinics (particularly in rural settings) (Weissman 1629).

Foreign investment also has negative consequences for Senegal. Foreign corporations created enclaves of foreign owners and beneficiaries. Foreign investment further encouraged Senegal's cash crop economy, tying economic health to the fortune of peanuts on the international market. A dip of a few cents in the international price for peanuts can mean recession or worse.

Among the many consequences of privatization, two merit particular attention. First, foreign companies, rather than Senegalese companies, have taken over the purchasing process. Second, privatization has deepened the regional inequalities as business elites flock to Dakar at the expense of those in the periphery (Anani 109). As nationalized industries become privatized, their goals and mission change. While national industries have the twofold agenda of encouraging economic growth *and* development, private industries have no obligation to design business practices that benefit society's poor. In Senegal, privatization was accompanied by an exodus of capital and business from rural areas, drastically increasing the gap between rich and poor (Creevey 671).

Servicing foreign debt—the final characteristic of structural adjustment—has proved extremely detrimental to Senegal. Foreign debt re-directs precious resources abroad. Senegal proved incapable of retaining enough capital to address development as revenues from exports went to reducing the enormous foreign debt. Furthermore, Senegal was forced to borrow even further in order to lighten the social consequences of shock therapy. Debt-repayment left Senegal a prisoner of the IMF and World

Bank, forced to implement policies as a result of loan conditionality. Foreign debt servicing and loan conditionality removed the government's ability to consult with various sectors of society on matters of development and forced the government to consider the interests of foreign loaners over its own population.

Domestic Opposition to Structural Adjustment and the 2001 Presidential Elections

Sustained dissatisfaction with structural adjustment policies encouraged, if not demanded, President Abdoulaye Wade to present the electorate with a fresh economic policy. Dissatisfaction with structural adjustment grew steadily after devaluation in 1994. The sense of betrayal ran especially high among the urban population as it had consistently supported the socialist regime. While Senegal's rural population struggled since independence, the urban population had been well cared for by the government's peanut wealth. In one dark moment, Senghor sent state troops to quell the violence and physically remove protestors from the streets. The problems for the Diouf Administration continued through the 1990s as privatization sparked conflict. Diouf's attempt to privatize electricity in 1997 elicited a crippling strike of the electricians' union which left Dakar in the dark for weeks. As the debt crisis sucked the life out of the nationalist project and structural adjustment failed to alleviate poverty, the electorate grew increasingly agitated. To complicate matters, the international price of peanuts began steadily dropping in 1997. Senghor and Diouf's failure to diversify the economy produced widespread unemployment.

The 2001 elections changed the face of Senegalese politics. From independence in 1960 to Abdoulaye Wade's election in 2000, Senegalese politics lacked substantial competition. Certain Senghorist policies invoked controversy, yet the electorate never failed to re-elect Senghor to the presidency and his UPS majority to the National Assembly. Senghor left office voluntarily, and when he did power transferred effortlessly to his pre-ordained successor. However, by 2000 the electorate's patience was exhausted. Diouf failed to rally the support of the urban population. Ironically, Wade's equally antiquated emotional appeal drowned out Diouf's recycled campaign message. In the elections of 1983, 1988, and 1993 Abdoulaye Wade campaigned (and lost) under the slogan *sopi* (change in the Wolof language). This mantra failed to attract support during the Senghor years, but this time the Senegalese listened. When the Senegalese voted Diouf out of office on March 20, 2000, they also voted out 40 years of socialist rule.

When Wade took office in 2000, he was under heavy pressure to follow through on campaign promises. Recent constitutional amendments reduced the presidential term from seven to five years, increasing accountability. However, Wade was not entirely opposed to the policies Diouf implemented, at least not in theory. Wade was an unapologetic neoliberal—a néo-keynésien as he called himself (Ndiaye 23). He opposed structural adjustment's limited purview and greatly criticized international lending practices, yet he had little intention of initiating a rupture with the World Bank and IMF. Wade needed to produce a framework that simultaneously appeased the Senegalese electorate while maintaining, if not improving, Senegal's standing among structural adjustment's main architects. An understanding of NEPAD cannot underestimate the importance of Wade's political motive to present a reinterpretation of neoliberalism. By October of the year he was elected, Wade had NEPAD up and running.

International Opposition to Neoliberalism

While internal dissent gave African elites the motive to repackage neoliberalism, international dissent gave them an important opportunity to negotiate with the developed world. In the mid to late 1990s, anti-globalization protests erupted across the Western world, shaking it leaders. The problems of the developing countries dominated the G8 summits of 1998 (Birmingham), 1999 (Cologne) and 2000 (Okinawa) (Beattie). Global civil society began to accuse globalization of bypassing a substantial number of the world's population and demanded that the summits focus more heavily on the poor. The G8 summits have been disrupted by an increasing number of anti-globalization protestors; the 2001 G8 summit in Genoa, Italy witnessed the largest anti-globalization march, only to be outdone by the 2002 G8 summit. Each year, tens of thousands of environmentalists, socialists and anti-capitalists turn the G8 summit into the focal point for powerful demonstrations. The Group of Eight has a vested interest in controlling the media's perception of the summit. Thus, beginning in 2001, the G8 has taken action to soften the image of the G8 as a rich insiders' club by inviting carefully selected representatives of the developing world, including Presidents Mkebi and Wade. Members of the G8 regard NEPAD as an appropriate vehicle for quieting the movements that accuse the G8 of neocolonization (Financial Gazette).

The World Bank and IMF not only started to feel the heat from global civil society, but began encountering criticisms from within their own ranks. The report "Aid and Reform in Africa: Lessons from 10 Case Studies" released on March 27, 2001, reflects a growing realization, at least rhetorically, that decades of ever-increasing and more complex loan conditions have failed to produced desires results. Shanta Devarajan, Chief Economist of the Bank's Human Development Network, argues in the report that the Bank needs to reduce loan conditionality as it too harshly restricts government action (Mutume). Fantu Cher, a professor at American University, argues "real ownership of poverty reduction frameworks can only happen if the threat of conditionality is removed by the IMF and World Bank from the backs of vulnerable governments" (Mutume). The average number of World Bank conditions per Sub-Saharan African country rose from 32 in 1980 to 56 in 1990. By 1999, the IMF and World Bank were imposing an average of 114 conditions (Mutume). David Dollar of the Bank's Development Research Group stated "I have always said to my colleagues that if you have 67 conditions then you have no conditions…We are not saying the Bank should disengage but we need new approaches, even the more successful reformers prefer a modest amount of conditionality" (Mutume). An increasing number of internal reports suggest that World Bank and IMF directors consider limiting the number of conditions to only those that are critical to the main macroeconomic objects of the programs. Another report, prepared by research staff at the IMF, notes that the increase in conditions imposed on borrowing countries has "prompted legitimate concerns, in particular, that the fund is overstepping its mandate and core area of expertise, using its financial leverage to promote an extensive policy agenda and short-circuiting national decision-making processes." The report recognized the danger of this behavior stating that "conditionality that is too pervasive may galvanize domestic opposition to the program as well as blur the authorities' focus on what is essential" (Mutume). The release of the report on aid and reform coincided with the African Union's decision to accept NEPAD. In light of this new criticism, the World Bank and IMF found additional incentive to support African-led development and African elites found increasing confidence as they pushed their framework forward. The time was ripe to take advantage of the fact that the international finance institutions faced significant global criticism. If the Africans leaders were going to stretch the neoliberal paradigm to fit their interpretation, it was best to do so at a time when the dominant definition of neoliberalism was under attack.

Conclusion

Neoliberal policies have always returned benefits to African elites; however, their impact on the majority of the population is controversial. Recognizing the unpopularity of the reforms, Senegalese President Abdoulaye Wade, South African President Thabo Mbeki and other African elites redefined neoliberalism, making it more palatable to their constituencies. By doing so they protected the perpetuation of neoliberalism on the continent and elite benefits associated with it. Special emphasis must be placed on the interaction between domestic and international opposition. While the two trends grew separate from one another, they would not have had the same effect had they not converged. Senegalese elites needed both domestic and international opposition to collide at the right moment to open a window of opportunity.

CHAPTER 6
RESPONSE TO NEPAD

The previous three chapters have explained what motivated African leaders to redefine neoliberalism. This chapter is driven by the question: how successful is NEPAD in its endeavor to sell a new brand of neoliberalism to populations who have long since tired of structural adjustment? Have Wade and Mbeki successfully re-enforced neoliberalism and diffused accusations of neocolonialism? NEPAD remains a young policy framework; the success of its policy proposals it yet to be seen. The purpose of this chapter is not to explore the economic ramifications of the framework, but instead to gauge how African populations—civil society, the business community, and the electorate—have responded to NEPAD. Are they any less critical of this redefinition of neoliberalism than they were of its original inception? Civil society has approached NEPAD with caution, criticizing it for being an "elite compact." The business community has displayed enthusiasm for the document, seeing an opportunity to compete with Western economies without being crushed. Finally, the electorate remains divided; neoliberalism is just as controversial now as it has been in the past. Yet, for better or for worse, NEPAD has sparked all their interests.

<u>African Civil Society's Response</u>

Members of civil society most commonly criticize NEPAD for being an "elite compact," designed behind closed doors without the input of the African people. Opponents question if NEPAD can truly be "African Owned and Operated" if many Africans to this day still are unaware of it. Addressing this lack of consultation, political analyst Yash Tandon said: "Although the document promises to be 'people-oriented,' the people have not been consulted. Most civil society organizations first learned about NEPAD from their northern colleagues" (UN Integrated Regional Information Networks). Tandon added that after the leading African heads of government discussed NEPAD, they appeared to have gone first to the Western capitals and the representatives of international private capital before consulting their own people. Yah Graham, the Ghanaian coordinator for an anti-globalization organization called Third World Network said: "More people in Canada known about NEPAD than in Africa. We, the African people, as always, hear about it later" (Nolen).

Other branches of civil society criticize NEPAD's actual policy proposals. In January 2001, participants from 200 social movements, organizations, and institutions from 45 African countries signed the Bamako Declaration at an African Social Forum. The Declaration reads:

> The Forum rejects neo-liberal globalisation and further integration of Africa into an unjust system as a basis for its growth and development. In this context, there was a strong consensus against initiatives such as NEPAD that are inspired by the IMF-WB strategies of Structural Adjustment Programmes, trade liberalization that continues to subject Africa to unequal exchange its exports and its imports, and restrictions on governance borrowed from the practices of Western countries and not rooted in the culture and history of the peoples of Africa. (quoted in the Herald)

Protesting at the meeting of the World Economic Forum in Durban in June 2002, Professor Dennis Brutus of Jubilee, South Africa said:

> We regard NEPAD as a new form of colonization with the consent of African leaders. The essence of the document is that Africa promises to obey all requests from the West and will submit to their demands, particularly in the area of investment. Africa will be enslaved to satisfy the demands of the West. (UN Integrated Regional Information Networks)

Civil society worries that NEPAD simply dusts off the structural adjustment policies that proved highly detrimental to Africa. Mr. Graham and the Third World Network argue that NEPAD does not acknowledge the extent to which liberalization and cuts to public spending exacerbate social inequalities. Anti-NEPAD activists specifically criticize the document's neglect of HIV/AIDS. Speaking at the opening of the People's Summit, an alternative to the G8 Summit, Stephen Lewis, the UN Special Envoy for HIV/AIDS, asked: "How can you talk about the future of Sub-Saharan Africa without AIDS at the heart of the analysis?" (UN Integrated Regional Informational Networks)

Nonetheless, several members of African civil society support the overall goals of NEPAD. In February 2003, a group of Senegalese NGOs drafted a report entitled "Debt and NEPAD: Grassroots Communities Get Involved in the Debate." The NGOs called for a 50 year suspension of debt payment to give NEPAD every chance to succeed. The consortium plans to lobby international authority to demand the cancellation of debt, claiming that the debt has been paid three times over the initial amount borrowed. The group is composed of about hundred representatives from various sectors of development in Senegal, Mali, Guinea-Bissau, Gambia, and Burkina Faso. The group hails the arrival of NEPAD, considering it to be a formidable alternative in the fight against poverty (Sidibe).

President Wade has made significant headway in courting the support of Senegalese civil society. He has toured the continent, attended conferences, and spoke to various sectors of civil society. In January 2003, Wade attended the 4th Global Ministerial Environment Forum in Nairobi and told more than 100 environment ministers, experts, and activists that "NEPAD is determined to fully implement all plans of actions that are aimed at making the environment more sustainable for the people in Africa…NEPAD is also determined to combat drought in Africa and the rising water along its coastlines" (Africa Committed). Wade also participated in the inauguration of the world's first undersea optic fiber cable system connecting Africa to Europe and Asia in May 2002 (Teng-Zeng 237). Wade's visibility and success in connecting NEPAD with successful development projects has sparked optimism in the framework.

African Business Response

African business leaders have reacted positively to NEPAD's call for the expansion and improvement of the private sector. Business communities in Kenya, Nigeria, Mozambique, Uganda, Ghana, and Congo have been particularly supportive of NEPAD as the framework calls for large-scale infrastructure and telecommunications projects in these countries, such as the Inga Falls hydro-electric project on the Congo River, the fuel pipe and road between Nigeria and Algeria, and the hydro-electric dam projects in Nigeria. African business leaders are especially pleased with NEPAD's technology initiatives among which include: biodiversity science and technology, information and communication technologies, energy technologies, laser technology, and biotechnology (Teng-Zeng 236). The NEPAD Secretariat created the NEPAD Steering Committee for Science and Technology to oversee the development and implementation of technology initiatives. The business community (both small and large) hopes that increased access to sophisticated technology will increase their ability to compete in regional and global markets.

Business leaders interpret NEPAD as calling for collaboration between government and the private sector and are eager to more actively participate in governments that have historically heeded the concerns of foreign business interests. For example, the business community boasts its vast pool of management and organization skills, which will be needed by governments in order to put NEPAD into action (Financial Gazette).

Small and medium sized enterprises believe NEPAD will help reduce the lack of credit and access to larger markets that have long restrained them. Accounting for the majority of jobs in the African private sector, these entrepreneurs recognize the potential to emerge as a "new engine for growth in Africa" under NEPAD. Entrepreneurs across the continent consider collaboration on big projects an important means of creating wealth. They further regard the availability of mega projects as a source of skilled manpower and management resources (Financial Gazette). Furthermore, trading blocs will allow small and medium sized enterprises to strengthen themselves. They will be able to participate in a liberalized economy, while simultaneously reducing the negative consequences of competing with the West. Simply liberalizing economies has had devastating impacts on smaller businesses who find themselves unable to compete with large transnational corporations. Under NEPAD, business leaders see themselves as strengthening their role in their country's economy while still participating in the global marketplace.

Senegalese Electorate

The complaints of civil society are largely true: the general public has received sparse information about NEPAD. However, as Wade has traveled the country and continent, awareness of his reformed economic position begins to proliferate. President Wade has been particularly successful in quieting complaints by using the government monopoly on television to advertise his public works projects and his economic advancements in Senegal. While many accuse him of anti-democratic behavior for his unwillingness to liberalize television, Wade insists he is doing it for the good of Senegal: "The television is not like other medias. It is a powerful instrument…I am sorry but I am not going to give the television to just anybody (quoted in Niang 287, personal translation from the original French)." Placing ethical questions about censorship aside, Wade uses the television as a powerful tool to monitor NEPAD's image in the public eye.

While it is difficult to gauge the reaction to NEPAD, the Senegalese presidential elections held on February 23, 2007 indicate that controversy remains over President Wade's economic policies. In the more than four decades since it won its independence, Senegal has never fallen to a coup d'état and suffers from almost none of the ethnic conflicts that destabilize its neighbors. However, in the days leading up the February 2007 elections, tension erupted throughout Dakar. Brawls left several people seriously injured and numerous cars torched. While such violence is mild compared to that which occurs elsewhere in the region, it is almost unheard of in Senegal (Polgreen).

President Wade certainly has fodder for his campaign stump speeches: Senegal has enjoyed relatively robust economic growth that hovered around 5% during his first term, in stark comparison to the much lower growth rates (and at times, negative growth rates) of the socialist period. Senegal is the first country in the Union Economique et Monétaire Ouest African (UEMOA) to achieve a growth rate above 6% (in 2003 and 2004) and an inflation rate below 1% (Niang 221). Wade claims credit for controlling inflation and increasing the portion of the national budget spent on education and health care (Niang 226). Wade can also turn to a number of beneficial public works projects on which he cut the ribbon. Brand new highways and overpasses line Dakar's coast—including a much needed highway to Thiès—while dams and pipe projects expand in rural parts of the country (Niang 221). President Wade routinely reminds the Senegalese population that he has successfully secured funding for projects that will enhance Senegal's development. The problem, according to Wade, is not that there is no money in Senegal. The problem is keeping the capital circulating in the Senegalese economy and reducing capital flight: "Today, all my projects are financed as I hoped. My problem is that there is too much money and I do not know if the country will be able to contain it" (quoted in Niang 221, personal translation from original French).

Still, the economic growth and building binge have not placed a dent in the country's unemployment, which hovers at about 50%. While poverty is down from 67% in 1993, it has yet to dip below 50%. Households affected by poverty in Senegal have been reduced by 10%; however, it is nonetheless a staggering 57.4% (Niang 227). During the campaign, President Wade had a particularly difficult time convincing young people—the group that put him in office the first time—to give him a second term. The vast exodus of young people (who make of half of Senegal's population) brings into sharp focus the dissatisfaction of Senegal's youth. Young Senegalese men made up the vast majority of the 36,000 Africans who headed for the Canary Islands as illegal immigrants last year. At least 6,000 of those who attempted the desperate 850 mile crossing did not survive, yet thousands more await an opportunity, often paying more than $1,000 for a seat on an open-decked fishing boat (Polgreen).

Despite these controversial factors, Wade won the February elections comfortably. With the opposition divided (the socialist party fielded 13 candidates), Wade quickly resumed work on NEPAD. He claims the elections give him a mandate to continue work and that the electorate has confidence in his ability to develop Senegal.

Conclusion

In the six years following its adoption, Wade, Mbeki and others have worked to increase awareness and support for NEPAD. Wade and Mbeki's continuing popularity speaks to their ability to sell a repackaged neoliberal framework to populations who have suffered tremendously under IMF and World Bank influence. African civil society, while criticizing the "elite pact" characteristic of NEPAD, have largely accepted its policy proposals. The business community has reacted positively; NEPAD endorses free trade but takes the necessary precautions to protect African business from international domination. The Senegalese elite voiced concern that implementation was not happening fast enough, yet they re-elected Wade. NEPAD does not receive a resounding stamp of approval from either civil society or the electorate, although it seems to have quelled serious opposition to neoliberalism for the time being. It also appears to have peaked interest as sectors of civil society meet and consult the policies. While it remains difficult to judge how many Africans actively support neoliberalism, the lack of vocal protest and dissatisfaction from key players (civil society and business) suggests that Wade and Mbeki have thus far been successful in the goal of, at a minimum, perpetuating neoliberalism.

CONCLUSION

The New Partnership for Africa's Development is one of many initiatives competing for attention in the development discourse. Why then focus so much attention on it? While the results of NEPAD are still largely unknown, NEPAD provides a unique opportunity to not only understand the current state of development but also to position that understanding in three decades of African history.

Through NEPAD, African elites have redefined neoliberalism and produced a variation on this hegemonic economic framework. While accepting the basic parameters of free trade, African elites assert their own prerogatives of unrestrained access to global markets, regional integration, and debt cancellation. They do this in the language of African nationalism, invoking pride in Africa's accomplishments and taking responsibility for Africa's future. The perception of African elites as hostages of the international finance institutions is no longer accurate: the initiative and gumption exhibited by NEPAD's simultaneous acceptance and dismissal of Western policies establishes African elites as a new force in global politics.

I explain this new philosophy first as a result of elite ideology transformation. While previous scholars explained how neoliberalism took root in Africa, they do not consider the ideological transformation, occurring in the 1990s, which pushed African elites towards a third alternative. Unsatisfied with nationalism and structural adjustment, elites opted to reorient development in a direction which maintained free trade elements but tailored the implementation of these policies to the African context. From studying this ideology transformation, we expand our understanding of how economic policies proliferate, and we no longer limit our research to the role of world powers.

Second, I examined the change in diplomacy between Africa and the West. The change in elite ideology necessarily changed the relationship between these elites and their counterparts in the developed world. Just as the ideology vacillated between acceptance and rejection of neoliberalism, this new relationship exhibited both collaboration and contestation. The criticism that African elites have brought against the West usually applies to the West's selective implementation of neoliberal policies. Again, illuminating these trends begs the question "are African elites as victimized as development theory suggests?"

Finally, I examine NEPAD as the result of opposition to neoliberalism. The existing literature talks at great length about the importance of pro-neoliberal forces in the perpetuation of free trade. A new contribution of this study is how anti-neoliberal forces produce the same result. Domestic opposition encouraged African elites to devise an alternative, mixing neoliberalism with nationalism and quieting accusations of neocolonization. Likewise, global civil society actually encouraged NEPAD by directing their opposition almost entirely at the IMF and World Bank, ignoring the role of African elites. The international finance institutions have been able to reduce the potency of the anti-neoliberal discourse because NEPAD was not created by them but by the very Africans that are the supposed victims of neopatrimony.

These conclusions offer important implications for the three sets of authors that stood as pillars of my framework. Placing my research alongside that of Dezalay and Garth illuminates interesting points for further comparative research. Currently, Latin America is electing more and more liberal leaders to office, a trend which scholars have identified as "the Pink Tide." Three fourths of South America's 350 million people are now ruled by left-leaning presidents, all of who have been elected in the last six years. Presidents Chavez of Venezuela and Lula of Brazil capture media attention with fiery leftist rhetoric. While these leaders are resisting neoliberal domination from the north, many continue to accept centrist, market-driven economics. Latin American leaders continue to service debt, seek foreign investment, act with fiscal cautiousness, and prioritize relations with the US. However, generally, these leaders have been more staunchly opposed to neoliberalism than African leaders. How does Latin America's "pink tide" compare to Africa's "NEPAD." What provoked Latin American presidents to more forcefully repel the presence of neoliberalism than African leaders? This research raises similar questions for Bockman and Eyal. My analysis of Africa compared to that of Bockman and Eyal's analysis of Eastern Europe highlights how the mobilization of non-elites impacts neoliberalism. Bockman and Eyal describe the mobilization of pro-neoliberal economists in Eastern Europe as essential to the collapse of socialism. Conversely, I examine the *mobilization of anti-neoliberal non-elites* as it produces a similar end. Henisz et al. as well heavily consider pro-neoliberal elite forces (such as other governments or multilateral institutions). Thus, I do not reject but build on these three theoretical frameworks, identifying important actors that go unmentioned in their analyses and highlighting provocative questions for future comparative research.

This research provides a valuable opportunity to examine neoliberalism as it developed in one African country. The existing literature speaks generally with regard to Sub Saharan Africa; a detailed case study first of a country such as Senegal and second of the specific policy framework such as NEPAD increases our ability to see with what complexity neoliberalism plays itself out in Africa. Furthermore, this research illuminates the seminal role of developing world elites in the neoliberal order. While much emphasis is placed on international influence and coercion, we now see how elites in developing world drive important changes in global development policy. Critics of neoliberalism need to consider the actions of these elites just as much as the actions of highly-visible international elites. In this regard, NEPAD will propel future scholarship on Africa, elite ideology, development, and neoliberalism.

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