

# **Regionalism and Uneven Development in Southern Africa**

## **The Case of the Maputo Development Corridor**

Edited by Fredrik Söderbaum and Ian Taylor

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This is a book about the micro-regionalization phenomenon in the contemporary world, a topic increasingly more relevant as globalisation intensifies and regional co-operation becomes crucial for countries to cope with competition for trade, investment and markets. The book deals with its subject matter through a relevant and well identified case study, the so-called Maputo Development Corridor (MDC). After all, this 'development corridor' is one of the most high profile and, perhaps, the largest and more successful micro-regionalism process currently in progress in Southern Africa, if not in Sub-Saharan Africa as well. However, it is important to note, and the book does it well, the MDC is part of a wider strategic policy, the Spatial Development Initiatives (SDIs). The SDI programme emerged in South Africa immediately after the demise of apartheid and soon spread to countries like Mozambique, following the Government's abandonment of its former Marxist-Leninist policies. The dramatic political changes in these two countries not only put an end to their own armed conflicts, but set the stage for a political and economic cooperation between them without precedence.

Overall, the nine chapters of the book are balanced, averaging about a dozen pages each. The content of each chapter tackles at least one relevant issue for the understanding of regionalism and regionalization dynamics in Southern Africa. The Introduction frames the overall analysis under the theoretical umbrella of what the editors call the 'new regionalism approach' (NRA), a theoretical approach very much in line with the critical, reflectivist and leftist International Political Economy (IPE).

To be fair and accurate, not all the chapters in the book are inspired or even consistent with the NRA. This is apparent, for instance in Chapter 2, which could well be tagged as more in line with the neo-liberal approach the very NRA, used particularly by the editors, questions. Fortunately, in this case, the referred theoretical inconsistency does more good than bad to the overall quality of the book. Chapter 2 provides progress achieved and the key lessons arising from the MDC, as well as some of the weaknesses and bottlenecks the SDI programme aimed to avoid but, as the writers point out, seem to be increasingly trapped in by them as well. However, the referred inconsistency, between the book's theoretical framework and the approach underlying some of the chapters, could well be avoided, if the editors admitted that not all the authors followed the NRA, or at least its use had not managed to produce the monolithically analysis aspired by the editors.

Chapter 3 pin-points the tension between the SID programme and the Southern African Development Community (SADC), an organization initially created by the front-line states to fight against apartheid in South Africa and to reduce the economic dependency of neighbouring countries on such a hegemonic and powerful capitalist economy in the region. Chapter 4 discusses the role of the State in the MDC project, arguing in particular that the States that promoted the MDC appear to act more as a transmission belt for translational capital than as facilitators for development. Chapter 5 deals with the modes of governance in the MDC, with a particular focus on who decides what, for whom and with what means. Chapter 6 focuses on the public-private partnerships (PPPs), while Chapter 7 looks specifically at the negotiations leading to the creation of the Mozal aluminium smelter, the largest and most successful investment project in three decades of Mozambique independent. Chapter 8 focuses on the vibrant formal and especially informal flows of Mozambican migrants and traders in the border between Mozambique and South Africa. The last chapter wraps up with overall empirical and theoretical conclusions.

The editors had the merit of explicitly presenting the main theoretical approach adopted for the book, though, as pointed out above, its coverage is not as comprehensive as they suggest. Moreover, the use of the NRA, at least in some chapters, appears somewhat rhetorical, or even exaggerated and

misleading. This is particularly so in the rather abusive usage made of the term "uneven development", starting from the book's title itself. However fashionable the term "uneven development" may be, the stress given to it in the context of the analysis of SDIs and the MDC is rather misleading. On the one hand, the MDC is little more than six years old and, as some of the authors acknowledged, 'measured against the strategic objectives agreed to for the MDC, this initiative has been relatively successful, in terms of implementing key initial infrastructure and economic projects' (p. 30). Perhaps, for the editors of the book, this is not enough to avoid the positive features of the MDC to be, as they write, "largely eclipsed by the negatives" (p. 107). However, this conclusion seems inspired more on the NRA than on the empirical data actually provided in the book.

On the other hand, the insinuation that the SDIs, and the 'development corridors' in particular, are 'deepening uneven development' (p. 116) is surprising and, indeed, intellectually self-defeating. The more so, when the book offers no better alternative to the one currently implemented in the region, which in the case of Mozambique has started to rescue it from the pseudo equality that held sway in the first two decades following its independence in 1975; an equality standing on and driven by inefficiency, mediocrity and destruction of even some of the standards the colonial economy had already attained. Yet to leave no doubt on this particular issue, a simple comparative on the magnitude of income gap in the Southern Africa region deserves to be put into a wider perspective.

Four decades ago, that is back in 1960, the relative difference in income between South Africa and Mozambique was about 3:1, while in relation to Botswana the income gap was then the reverse, about 2:1 in favour to Mozambique. By the year 1975, the income difference in relation to South Africa had widened slightly (4:1), while Botswana had not only completely eliminated the absolute gap but was already showing overtaking (1.3:1) the living standards in Mozambique. Two decades latter, that is in 1995-96, the income difference between Mozambique and both South Africa and Botswana was 9:1 and 7:1, respectively. Only after then and until now, precisely when the SDIs and the bulk the economic reforms started to show some impact, Mozambique has started to show signs of preventing the absolute gap in relation to such neighbouring countries from widening. This comparison is drawn on the Penn World Tables 6.1, in purchasing power parity exchange rate; if one had used US dollars, the range in GDP (gross domestic product) would be much bigger, though this is irrelevant for the point made here.

Yes, the uneven development in Southern Africa was already there three decades ago, but ever since, if the absolute and relative development gap has not been reduced, or even prevented from widening further, can one really seriously say that the reason of that are the SDIs, or the development corridors, or too much international capita coming to Mozambique? If any, certainly the cause is exactly the opposite.

Recently, this reviewer participated in a comprehensive evaluation of the first phase of the MDC; the detailed knowledge acquired on both its progress and limitations, allows him to raise serious doubts about some of the editors' conclusions, namely: that the positives of the MDC are largely eclipsed by the negatives; or, that the MDC is "deepening uneven development and sparking what may in some ways be regarded as a crisis in governance" (p. 116). Yes, there may be a crisis in governance and elsewhere, caused by the economic reforms in progress, but when compared to the one that preceded this one, it seems undoubtedly much healthier for the society as a whole; and still, this does not necessarily mean one should entertain illusions about the perfection of capitalism, corporations, or markets.

Does Mozambique have enough, or too much, economic growth? Is the existing growth unhealthy for development? This is not the place to answer these and many other questions emerging as one reads this book, for it would take us again to the editors' prejudices towards, for instance: the stance 'narrowly predicated around "growth"' (p.107). It is enough to add that some of such questions are more controversial than others, and one or two examples are enough to illustrate the magnitude of the alleged controversy. For instance, some of the economic reforms implemented in Mozambique, over the past decade or so, are (neo) liberal in nature, but many others are, undoubtedly, nothing but a caricature of economic liberalism. The book does not acknowledge this important distinction; nor do

its authors find it relevant to include in their micro-level analyses aspects concerning the rather hostile role many of the Mozambican institutions still play against a more rapid and virtuous economic growth in Mozambique. The same could be said about the alleged irony the authors of Chapter 3 find in the fact that corridors were first developed during the colonial period (Ironically... why? - p. 30).

In any case, regardless of the theoretical and empirical limitations mentioned, this is a book worth reading for it does try to examine the formal/informal, governmental, developmental and societal features of initiatives like the MDC and the SDIs. The book is recommended particularly for those interested in its subject matter or in the latest economic developments in the Southern African region.

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