

1. HETERODOX REFLECTIONS ABOUT DEVELOPMENT AND GLOBALIZATION IN AFRICA

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Opening note

I shall begin by addressing the methodology underlying the Institute for Social Studies and Economics (IESE). “The key objective (...) is to promote research with an inter-disciplinary and heterodox perspective”. Inter-disciplinarity and heterodoxy, two components of a different type of practice, two ways, certainly difficult, but that can open marvellous conceptual landscapes. While recognizing that the scientific and institutional weight of intellectual work today is still eminently disciplinary, with growing specialisation, it must be constantly restated that an attempt to understand and transform any portion of social reality, including African reality, without an inter-disciplinary vision – irrespective of the precise meaning of this term – is absurd.

It must also be stated that some orthodoxies are particularly ridiculous, especially when analyzing Sub Saharan Africa. Neoclassical economics is one such case.

We shall begin by commenting on some aspects of inter-disciplinarity and heterodoxy and then, but only then, we shall tackle the core of our problem.

Inter-disciplinarity

Ever since the middle of the last century we have seen increasing efforts towards inter-disciplinarity, albeit by a minority. And in order to clarify any doubts as to the polysemy of this word and the many different terms for the same reality, inter-disciplinarity is any kind of more or less intense contamination (conceptual, problematic or methodological) between areas of epistemological or organizationally different knowledge.

Today it is well known that breaking down the whole into parts and studying each part in detail, as proposed by Descartes as the appropriate rules for the philosopher and the scientist, is not the way to find the simplest or the first procedure for a subsequent better understanding of the whole. The simple cannot be found because each individualisation awakens new totalities (when society becomes the individual do we find a “reality” that is easier to study?). It is not the most appropriate form because the whole is more than just the sum of the parts. It is also the relationship, involving similarity and difference, between the parts and the entire non-linearity and irreversibility of the process. The Cartesian error may be justified by the scientific practices of the day, and by the cognitive limits of man tempered by a civilisation with Greco-Latin and Judaeo-Christian origins, where certain meanings and a certain filtering of information predominates, but it is certainly not justified in Africa. If the Negritude movement and studies on Bantu culture are to be believed, tact is of particular importance and requires the continuity of the “parts” rather than their separation. It is even less justified in Mozambique, with one of the most important scientific communities that for many years has shown the world that even the “purest” strongholds of the human machine are an integral part of usage and customs, that must be identified, protected, awoken, and the potential of its endogenous knowledge realised. We are referring to Ethno-mathematics.

Today it is well known that some issues that require an answer for purely scientific reasons or due to the demands of policy and intervention on the ground, need contributions by various different scientific areas, the establishment of working groups involving different specialists. We also know that some of these problems are of crucial importance for the future of mankind. We might recall for a moment what can be termed ecology or the neuro-sciences.

Today it is acknowledged that an aware and interventionist citizenship in a society undergoing very rapid transformation – such that the world that we have in our heads

is not the same as the one we have under our feet (paraphrasing a conference in Geneva on the eve of the millennium) – requires an education that leads to command of the whole, rather than demanding memorisation of the parts. This frequently leads schools and teachers to demand of their pupils a capacity for conceptual inter-relations that they themselves do not have.

If these findings are applicable to all scientific fields they are also applicable to the sciences of the human reality in which we all work. History, Geography, Economics, Sociology, Psychology, Anthropology, Archaeology, Politics, Demographics, Linguistics, Semiology, Law, with their very strong internal specialization, are some of the “pure” sciences that only select part of the entirety of “man in society”. To this end they use a particular “focus angle” and a specific methodology. Management, Education sciences, Cognitive Sciences, Information and Communication Sciences, International Relations Sciences and many others that we can find in the prospectus of any university are other sciences of the human reality that are still trying to unify their object of study, as indicated by the name of some of them. Biology, Physiology, Neurosciences, Ethnology, and many other sciences help us to understand “man in society”, even though they constitute another kind of science. Mathematics, too, is almost always present, implicitly or expressly. Socio-Economics, Psycho-Sociology, Economic Anthropology, Socio-Linguistics are some examples in an enormous list of manifestations of inter-disciplinarity that attempt to understand better, with scientific rigour, who we are.

Despite this “evidence”, despite growing institutional recognition of the amount of inter-disciplinarity, it continues to be a counter tendency. It is not yet the tendency.

This subordinate position is the result of two types of reasoning: science is also power; inter-disciplinarity is difficult.

In these considerations we ignore erroneous understandings of what constitutes inter-disciplinarity (the most common being that a group of specialists from various sciences together generate inter-disciplinarity by osmosis, or that a succession of discourses based on various disciplines provide inter-disciplinarity by contamination).

We shall not make any substantive reference to the first reason (science is power). We all know that science gives political and social power; we all know that the scientist enjoys a certain degree of influence, a certain social status, a certain recognition of his own space and time. We all know that scientists like to conceal their power in “invisible colleges”. And all these aspects are primarily due to the division of labour, the creation

of scholars who are ignorant and of the ignorant who are scholars. All these aspects correspond to rigid institutionalization that hampers the encounter, that conceals the arrogance of each one.

The second reason (that inter-disciplinarity is difficult) requires more attention. The epistemology of inter-disciplinarity has been more skilful at extracting major laws than at understanding the virtues and defects of interdisciplinary practices, even though this is where success and failure are forged.

The first major difficulty arises from the fact that we all perceive reality through interpretative models that are familiar to us. We go from models to reality, not from reality to models. This is the result of many years of specialist learning where observation, experimentation, simulation and error are replaced by the academic institution of ready made, “turnkey” knowledge. It is true that the perception arises spontaneously; obviously it is not “a blank sheet”. It is true – at least this is what we admit despite controversy on the subject – that the constant reconstruction of “own things”, of “reality in itself” would castrate scientific progress, but education could reduce these constraints.

Associated with this is the fact that each discipline has its own lexicon. To those who do not work in this science it is often a hermetically sealed lexicon, either because it contains unknown words or because it contains every day words known to everyone or to other sciences but with a completely different meaning, or indeed because it uses its own forms of language (mathematics or logic, for example).

Some studies have tried to quantify the gap in knowledge between members of an inter-disciplinary team with consolidated practices, with common acquired habits, with similar concerns. They found that what a given specialist in a team knows about the disciplines of the others is at least five years behind and could even reach 10 years. Each specialist only knows the other disciplines slightly better than the level of scientific dissemination. It is easy to understand this based on my experience of my own discipline – speaking as an economist. Detailed knowledge of all areas of economics is physically impossible given the scientific output and its proliferation throughout the world. At best we can try to gain a “tendency towards full knowledge” in a limited group of sub-branches of economics. Even so, this is influenced by geographical location, acquired habits and linguistic knowledge. If it is not possible to be a “full bodied” economist how is it possible to also be a sociologist, anthropologist and much more?

And as if these difficulties were not enough, there are two more: one of a functional and institutional nature, and the other epistemological.

The first arises from the fact that interdisciplinary research is a process where the final result is open ended or, at least, much more uncertain than the result of disciplinary work.

The second concerns the fact that inter-disciplinarity cannot be disassociated from two other aspects: inter-culturality – and this aspect is particularly important when we are studying Africa – and inter-paradigmaticity. This latter aspect is particularly important in sciences of human reality because there are various different readings of the same reality. For this reason IESE defines heterodoxy as its first level of paradigmaticity.

Does this mean that all these difficulties constitute an insurmountable obstacle or require cyclopean work? Not at all. Nothing can replace the joy of discovery and difficulties can be overcome without much effort, as long as there is a clear understanding of what inter-disciplinarity is about and the various forms it can take, as long as specialists from various scientific areas come together with intellectual modesty about knowing what they don't know and demonstrate to others what they do know and how much more they do not know, as long as we do not succumb to routine and take on the undertaking/work as a project. And as stated by a specialist in these fields, as long as the director of this project has legitimacy and an accepted status and, having already fulfilled his professional career, has nothing to lose as a result of distrust from others or the difficulties encountered.

When dealing with these matters we usually say that one should not use the name inter-disciplinarity in vain. We are certain that it will not happen in this situation. So, congratulations.

Heterodoxy

Heterodoxy is the opposite of orthodoxy. In economic terms – it would be extremely difficult for me to speak of this issue in other human reality sciences and even more so in inter-disciplinarity terms – orthodoxy is the predominant economic thinking. Politically we know that its maximum expression is the International Monetary Fund. Perhaps we no longer know how to classify it clearly among the currents of economic thought, if indeed that is possible. Are they neo-classicists of the utilitarian or marginalist persuasion, who claim to be the descendants of Smith and Ricardo, or are they continuing the “synthesis” of the above mentioned marginalists

with Keynesianism, the euphemism to subordinate Keynesianism to the currents it fought against? Are they liberals who defend less State intervention in the economy, or the neo-liberals who defend the annihilation of the State itself, as a public enemy?

Probably the classification of a model, a theory or a paradigm entails responding to a range of economic, epistemological and sociological issues and in order to characterise orthodoxy we must understand its responses to these issues: (1) its concept of truth has nothing to do with whether or not it reflects reality; this is guaranteed by its internal coherence and acceptability by the scientific community; (2) The relationship of causality is muddled with simultaneity and correlation, in a typically positivist position; (3) its logic is classical and thus bivalent, rejecting contradiction; (4) its preferred inter-disciplinarity is with individual psychology, because the individual is its fundamental reference for studying man, albeit mythological; (5) the relationship between men is replaced by the relationship between man and the object; (6) economics is considered the decision-making science when there are alternative ends and scarce resources for achieving these objectives, and they can have nothing to do with production, distribution and trade; (7) its basic key concept is marginal utility of the last unit; (8) the micro-economy is the sacred stronghold of scientific construction, or at least of economic scientific construction; (9) the position on the State is one of liberalism or neo-liberalism.

Permit me to insist on orthodoxy's concept of truth, because it has important political relevance. The concept of truth lies outside the confrontation between models and reality. It is placed on the altar of the scientific community where it is known from the very beginning that there is majority for validation. So if there is disparity between reality and the model, then either the model can be adapted to reality or reality can be adapted to the model. As the model "is true", "is right", then it is reality that must be adapted to the model, coercively, of course. Isn't this the most striking feature of current economic policy? Wasn't this the prime directive for the ill-fated and dramatic structural adjustment plans?

Before moving on to a description of heterodoxy lets us focus on one point: the transfer to these subjects of the language accepted by current knowledge. Orthodoxy is not only a science. It is a doctrine. It is the truth. So heterodoxy is heresy. In other words, orthodoxy does not accept other positions as being true, as having a different concept of truth. Orthodoxy does not accept plurality in interpretations of reality; it rejects theoretical pluralism. Orthodoxy is dogmatic and dictatorial.

Heterodoxy is the acceptance of plurality in reading and interpreting “economic” events. It is the defence of theoretical pluralism as an epistemological, cultural, pedagogic and citizenship advantage. **Heterodoxy is democratic** and respects the other, the difference. There is, however, a wide diversity of heterodoxies. It too has a vast scientific community that is obliged to struggle for inclusion in the global scientific community, and the heterodoxy of today can frequently be the orthodoxy of tomorrow. For this reason **heterodoxy is a permanent scientific, social and political reconstruction.**

Orthodoxy claims to be scientific and, after “turning away from” the doctrinaire, in effect it is (in these marginal comments we will refrain from going into the concept of science itself). Heterodoxies are also scientific. So we can say that economics (or it can be called economic science or political economy, interchangeably) is a science with internal conflictuality due to the co-existence of different paradigms. This situation raises some questions that we should analyze, especially as heterodoxists. We cannot fool ourselves with “first proof”; we must reflect on our own existence.

How are these diverse readings of reality possible, all of them using scientific methods that can be confirmed by others, if science is based on facts, and economics in particular involves quantification? The facts “are there” and continue to be the foundation for scientific construction, but the selection, relationship and establishment of hierarchies of facts is dependent on their theoretical relevance, the “possible conscientiousness” of economists. Moreover, for many people, doing science means describing, and for many others science requires interpretation and the same set of facts can produce different interpretations.

Can it be that theoretical pluralism confirms that economics is still not “a mature science” and that the affirmation of heterodoxy itself strengthens this lower status of economics? Despite an old inferiority complex about economics when compared to physics – expressed by the disgust of many because economic laws are more probabilistic than determinist in the search for the fundamentals of a “social physics” that appears in authors as different as Marx and Menger, in the over-valuation of mathematics as a criterion of veracity – we can reply that this question has completely different validity when applied to sciences of the human reality or the sciences of the physical reality. These two groups of sciences have specific characteristics that differentiate them. There are social reasons for internal conflict, for affirming theoretical pluralism.

Affirming heterodoxy is an epistemological valuation of economics. Heterodoxy is particularly valuable in peripheral countries. Firstly, because orthodoxy is

inappropriate for peripheral realities (because it is essentially built in the “centre”, reflecting the reality of that same centre!) and, as a result, it is imperative that economists in these peripheral countries have the ability to provide an interpretive model that is more appropriate to their reality. Secondly, because the worldwide scientific battle was fought in both the act of researching and also in the balance of forces within the scientific community. This reflects the balance of political and social forces but has relative autonomy. The affirmation of economic thought in the peripheries on a world scale is an effort to fight marginalisation, an effort for inclusion, an effort to change the balance of forces.

We shall speak of heterodoxies, in the plural. **There are two different ways of building heterodoxy.**

The first is by criticizing orthodoxy. Detecting the failings in its internal coherence (implicit hypotheses that come up against explicit hypotheses, concepts without a rigorous and precise meaning that take on different contents throughout the theory, mistakes in the articulation of the model’s variables etc.) or finding discrepancies between theory and reality leading to conclusions on the falsifiability of the former (this external criticism is frequently inconclusive because it criticizes laws *ceteris paribus*, hypothetical-deductive laws based on sets of unrealistic hypotheses) can make it possible to construct alternative models, different theories. It is a heterodoxy that is the result of negating orthodoxy, it is an ortho-negation. The more this disaggregating criticism of orthodoxy focuses on fundamental hypotheses, concepts and models for the theoretical edifice of economics, the more powerful it becomes. It separates itself from its origin. The more radical the resulting breakdown and the more substantiated the resulting alternatives, the more powerful this heterodoxy becomes by differentiating itself from a mere divergent voice within orthodoxy itself. For example, as “equilibrium” is a basic concept in economic science, radical criticism of this concept has extremely significant impacts. For example, as orthodoxy professes to be positivist, proof that a large number of its models are normative shakes its very foundations.

Heterodoxies can also be the result of economics using issues, realities, concepts, methodologies ignored by orthodoxy. This is how an alternative paradigm is built, resulting in the affirmation of certain aspects of social or scientific reality. It is the construction of heterodoxy through affirmation, by affirming the difference, by hetero-affirmation. And affirming the difference can be the result of either setting human rationality based on neuro sciences against Olympian rationality, or affirming

complexity, focusing attention on differences in the behaviour of “economic agents”, on non-linearity, on the irreversibility of time.

So there are many different paths to heterodoxy and there are various alternative heterodox paradigms. Some will have some advantages, others will have others. For example, ortho-negation has a much stronger impact on the scientific community than positions arising from the alternative path. This is natural because it is more easily understood by this dominant scientific community because, to some extent, it represents a continuation of their positions, being based on some common methodologies, and because they often come from economists with a highly visible political role. One person paradigmatic of this situation is Stiglitz. Hetero-affirmation frequently deals with methodologies, issues and references that can have a bigger impact on scientific construction in the future. However, the fact of moving away from/being based on paraconsistencies or infinitivalent logic, of being based on chaos theory or something similar, makes it difficult for the dominant scientific community to comprehend it.

In some cases, heterodoxy arises from the combination of two paths. Marx is an example. Affirming himself as “Ricardian” and rebuilding the theory of value with the “possible consciousness” of the working class, Marx adopted ortho-negation. But it was hetero-affirmation when Marx transferred Hegel’s dialectical logic (that today we would probably call paraconsistent) to political economy with “its feet on the ground”,

In effect, it is important for all of us, workers in economic science anywhere in the world, that the IESE take a heterodox position. Thank you. We shall be watching. I will be available, always continuing with heterodoxy.

Globalisation and Development in Africa

If I wanted to summarize this paper I could do so very succinctly. What one should understand as development is very different to what actually exists. It has nothing to do with the current concept of cooperation, which is, itself, ambiguous. Nevertheless there must be a change in direction within a different international economic and political framework that is incompatible with globalization.

We do not have a strategy for building an alternative relationship between men. At best we have the capacity to say no, we know why we are saying no, we have objective knowledge, we know some of the tactics and paths, but we still do not have the map for the journey. We cannot be confident that we shall find the path by walking along it. It is a maze.

The acquisition of theoretical citizenship does not mean the establishment of alternative paradigms, but merely the outline of a theoretical point of reference capable of maintaining, with concrete analysis of concrete situations, the necessary dialectic between the theoretical object and the real object, a task that the primacy of the vulgata interrupted. (Figueiredo e Costa 1982:49)

Pragmatism generates traps as part of the system. For this reason we reject it.

The subjects addressed below are the result of research over various years up to today. Every day we reformulate some positions, we add “empirical findings”, we get to know the positions of new authors, we discover new problems, we imagine possibilities, we come across findings that we did not expect.

Our view of the orthodox position

“Internationalization” or “globalization” is an inevitable process. With its pillars of private initiative and freedom to carry out transactions on a world scale; the economy benefits from the full operation of markets. The rationality of economic agents and the tendency for equilibrium guarantee general well-being.

Because there can be gaps in rationality, structural imbalances that need to be resolved in advance so that markets can function, devastating tendencies that obstruct this automatic operation, and other accidents along the way, the International Monetary Fund, the World Bank and the World Trade Organization keep watch, control, intervene.

There are still serious problems to be resolved, ranging from poverty and disease to environmental degradation, but by mobilising the international community and international cooperation they can overcome these difficulties. International comparisons show that the standard of living in many countries has improved.

It is true that in Africa difficulty in overcoming poverty, AIDS and other diseases has encountered some additional resistance. This is due to their poor economic rationality, structural dis-adjustments (which led the Bretton Woods institutions to advise structural adjustment and poverty reduction programmes that are already producing their beneficial fruits), military conflicts, forms of rent distribution that distort markets, create clientelism and promote corruption.

Based on a healthy, automatic economy running towards equilibrium, democracy is the expected prospect for all peoples. Because in some situations there can be obstacles, as we have mentioned in relation to Africa, once again the Bretton Woods institutions have pedagogic and surveillance function with regard to good governance.

We can be optimistic about the future, even in Africa. We have the Millennium Development Goals, we have NEPAD and the collaboration of many governments. Some growth dynamics in this XXI century also allow us to be optimistic.

A more realistic reading

Let's break down this interpretation globally.

a) As regards Africa, we cannot be optimistic

For those who are faced daily with the population's living conditions or have a profession that entails dealing with statistics on economic and social reality, no major statistical explanations are needed. We shall merely cite the following:

- Taking the 2004 Human Development Index (published by UNDP in its 2006 report) the highest ranking large African country, Libya, is in 64th place. In Sub Saharan Africa the best country is Cape Verde occupying the 106th position and Equatorial Guinea in the 120th position. Almost all countries below this position are African, including the last in the table. Niger is in the last place with an index of 0.311 that is, 32% of the index of the country in the top position. The HDI of the "developing countries" in Sub Sahara Africa is 0.472.
- The situation of Africa would be even worse if we considered per capita income, a growth indicator that is under-valued in the HDI. While Luxembourg, the USA and Ireland have \$69.961, \$39.676 and \$38.827 a year (PPP), Sub Saharan Africa has an average per capita income of \$1.946. The lowest country in Africa and, simultaneously, in the world is Sierra Leone with \$561.

In a long term analysis, from 1960 until today, we also cannot be satisfied with the situation now.

- Between 1960 and 2004 there was an initial period when living standards improved, but this was followed by a reversal. The per capita income in 2004 was lower than that in 1982 and life expectancy at birth had fallen by 3.5 years compared to the maximum achieved in 1987.
- From an economic point of view we can consider various sub-periods, with structural adjustment programs one of the most dramatic experiences: more rapid growth between 1960 and 1974; a second phase between 1974 and 1981 with much more moderate growth; the third phase between 1981 and 1993, the crisis phase of structural adjustment, and the fourth phase that is still uncertain.

In recent years, the evolution of the international price of raw materials, the end of some military conflicts and maybe a new kind of investment and international intervention in Africa due to the growing Chinese influence, mean that data on the recent conjuncture are encouraging. But we are not seeing any structural transformations and the series is not long enough to draw any conclusions.

Obviously, to speak of Sub-Saharan Africa is to speak of its enormous variety of situations. In addition to these average data we need data on diversity, although for our purposes here global figures will suffice.

The Millennium Development Goals have little or no operational effectiveness in Africa and it is becoming increasingly clear, as UNDP and other bodies have already stated, that the 2015 goals will not be achieved; there will be a major shortfall.

We also fear that nothing different can be said about NEPAD despite its pretty declarations about growth and development. One only has to read its principles to be immediately drowned in terminology, in ideology, in the logic of globalization: “good governance”, “encouraging ownership”, “regional integration”, “competitive”, “new international partnership”, “Millennium Development Goals”, etc.

Yet what the OECD terms the unrecorded economy is very high in Africa (according to Schneider’s estimates around 29.5% of GDP in South Africa and 63.2% in Zimbabwe.). There are three different situations: the existence of many “traditionally informal” activities linked to sustaining families, the growing weight of informal activities in these countries commanded by international capitalist groups and, finally, a rise in the illegal economy commanded by international networks based in developed countries, with Africans more victims than beneficiaries of this situation. The few and

imprecise indicators seem to indicate a deteriorating situation, as throughout the world, for reasons that we shall analyze with regard to globalization.

b) Globalization is not what it seems

In more detail this means that the globalization that is presented to us is the story told by the winners. It is not what it seems and the market is simultaneously a social reality and a myth. Characterized by the dominance of financial capitalism over all economic activities (or financialisation of the economy), it inevitably leads to a rise in the underground economy. Let us see why it is not what it seems.

Let us break down this analysis in two different aspects. Let us clarify the meaning of concepts that are used so generally/widely.

To start with, the many different meanings given to globalization require us to be precise about the meaning of concepts.

In Portuguese we have the advantage of using either the term “*mundialização* = internationalization” or “*globalização* = globalisation”. We can do this as long as we clarify the meaning we assign to each of these words, similar or different.

By **internationalization** we mean a process that brings together people who, in their daily lives, occupy different geographic spaces. This bringing together can take many different forms, from the viability of personal contact to written communication; from the exchange of goods produced by some or others to the exchange of information, to mention just some examples. Consequently, as is frequently asserted, we can say that internationalization is a process that began in the early days of humankind, with progress and setbacks, but tending to grow – unequally – in the various regions of the world. If we measure internationalization by the frequency and speed of relations between any two citizens (or institutions) located in different geographical (and social) spaces we shall easily confirm this assertion.

However, is this what we are talking about when we discuss internationalization, when we try to measure the pros and cons, when we reflect on our standard of living, on the economic and social policies that benefit or harm us? Of course not. The object of study that corresponds to the concerns of all of us, citizens of this so-called “global village”, is society today, with dynamics that are strongly affected by the economic. **It is a certain phase of internationalization** that has extended up to today. A phase with some specific characteristics. This is the phase that we call **globalization**.

Only after describing the characteristics of this phase can we divide it into periods. Identifying when it began is not an initial hypothesis, but rather a finding at the end of the research process. Studies show that it began during the 80s of the last century. We feel that this reference is consistent with two particularly relevant aspects of that decade: on the one hand, the advent of micro-computerisation, the integration of different forms of information and telecommunications networks, and on the other hand the end of socialism in Europe and the USSR and the trend towards the hegemony of capitalism on a world scale. Two different phenomena but which can be closely associated with each other.

We think that this difference between internationalization and globalization (we can name them in this manner or use other terms such as “internationalization”/“recent phase of internationalization; “millenary globalization”/“recent imperialist globalization” etc.) is essential. Firstly, because it fixes the object of study. Secondly, because it makes a clear distinction between centuries-old dynamics, determined primarily by the evolution of technology, of productive forces, from dynamics that have only existed for decades and determined primarily by economic-socio-political relations, by relations of production. **Thirdly, because we can say categorically that internationalization is inevitable and globalization is avoidable or rather, it is not inevitable. It is not so in terms of both its existence and the form it takes.**

And the fact that globalization is not being condemned frees social energy, political will, intellectual lucidity. It is in these terms that we shall speak of globalization.

It is important to recall that **globalization is capitalism** – and frequently a capitalism that acts in a brutal manner, otherwise capital would not be lord of the world again, without the need for the compromise which were imposed by the existence of socialism. **Globalization is a phase of imperialism**, inflating some of its characteristics while others remain as they have always been. It is also important to recognize that globalization takes place within the framework of some specific characteristics: linkages between markets have increased, the very significance of the market concept has changed, the strategic sectors for capitalist accumulation are different, “monopolies” have statutes, forms of organization and operation that are adapted to current technologies and markets, national bases have expanded into economic communities, capital “exports” have a less precise geographic dimension, other aspects of the workings of the economy, such as information and knowledge, have become more important. After a phase when its political and economic strength was strongly influenced by the existence of socialism

and by the national liberation struggle of peoples subject to colonialism and neocolonialism, today imperialism has an almost hegemonic position. Imperialism in the globalization phase has an offensive position and its ideology, liberalism, or neoliberalism, is an active instrument for changing and reproducing the system.

We should not let ourselves be swayed by the word market and its common usage, as it serves to describe many things. Even as social reality it is always an institution – and hence an integral part of the social whole, bearing its usages and customs – and, as such, in some situations it will always be “democratic” and in many others “despotic”, condemning many to permanent hunger and degradation.

We feel it is important to distinguish four different meanings: market as social reality; market as an interpretative model; market as a symbol and market as argument.

The market is a social reality. It is such as a perfectly located space where a group of (potential) sellers and (potential) buyers establish among themselves a set of relations. Through its intermediation they maintain relations with many other stakeholders in the production, distribution, circulation and consumption processes. It is such at a higher level of abstraction, as the totality of these relationships in a geographically imprecise space that at the same time encompasses all the above-mentioned concrete spaces. The market has a structure that is determined, historically, by the social division of labour and, conjuncturally, given the form it takes, by the correlation of economic and political forces, by its place in the legal framework, by information. It is a space containing citizens and institutions, labelled as “agents”, with usages and customs that are part of a broader context. The market is a complex reality, very probably sensitive to infinitesimal variations in some of the factors involved and with multiple interactions. It predates capitalism and will very likely also survive its demise, as it is essentially a relationship between men through institutions.

The market as an interpretative model is always a simplified version. We must be aware that we are dealing with a simplification and as such we cannot transfer the dynamics of the model to concrete reality. So its transfer must always be located in time and in space. In model terms it is positive, preferably sufficiently general and comprehensive, as long as it is not excessively reductionist. What is profoundly negative and ideological is our presentation of reality as an image of the model (for example, making economic policy on the assumption that there is symmetry in information, or that this is reversible, that men “disappear” behind supply, demand and equilibrium), to the extent that differences between reality and the model are due to “errors of reality”, as already mentioned.

The market as a symbol is often an extension of the previous distorted reading. Distorted sometimes by the expressed desire of some “to serve the owner”. Or because an “ivory tower” university education, the silence of offices and the distance from reality, weak critical reflection and very little imagination, “vaccination against values” and insensitivity to the social, all combine to mean that they do not know anything other than models. The model itself is built on the myth of Olympian rationality, on maximizing behaviour. For all these reasons it becomes a symbol: “the market is always right”. For this very reason, those who argue in this way are not right.

Finally, the **market as mere argument**. We are often so intoxicated by the use of the term market in the last two senses that we tend to “subjugate our neurons” to “the market God” by believing that if we state this enough times it will become true.

In addition to these considerations, we should recall that some markets are **structurally distorted** (Marx recalls this when he deals with the “labour market”) and others are **politically distorted** (Stiglitz reminds us that “free markets” are imposed on peripheral countries by countries at the centre, yet the latter are often the first not to comply with the free market rules).

Knowing that the worldwide “freedom” on which the orthodox concept of internationalization is based is a myth (all the more so because the economic freedom of some can be the absence of economic freedom for others) we must try to characterize other aspects of globalization (the recent phase of internationalization, if this terminology is preferred).

Let us make this journey of reflection together.

The point of arrival of our published research is what we assume here to be the point of departure: **globalization is characterized essentially by strengthening neo-liberal ideology, by the rise of fictitious capital to unprecedented levels, in a context of articulation and the accelerated internationalization of financial markets and by the adoption of national and international economic policies that strengthen the role of multinationals, commercialize the world economy and hamper the resistance of peoples.**

Let us look at this in more detail.

Commercial freedom is one of the great premises of liberalization. For this very reason it would be reasonable to expect a qualitative change in the quantity and quality of exports and imports. But this does not happen. There is undoubtedly a structural tendency to increase the relative importance of countries’ foreign trade,

but this is a phenomenon typical of internationalization, and is not specific to globalization. Neither in the 80s nor before or after, were there quantitative or qualitative changes that allow us to conclude that globalization brought something new in this field. The relative positions of those who benefit and those who lose with this commercial freedom are also maintained: in high income countries years when exports exceed imports alternate with years with negative balances. But there is a tendency for the export of goods and services to increase in value. Precisely the reverse happens in low income countries, where there is an almost systematic deficit in the trade balance.

In the case of direct foreign investment, during the period under analysis **it has risen worldwide**, although here too it has been concentrated in the more developed countries – meaning, obviously, a more unfavourable structural and conjunctural position for lower income countries. Moreover, there are important qualitative modifications in the ways that this direct foreign investment occurs: the intensification of partnerships and of relations between companies internationally; and widespread mergers-acquisitions, are just some of them. Simultaneously **multinational companies continue to strengthen their importance on a world scale** – less than thirty countries, and only one African country, are able to have national products larger than the distributed income of the largest world companies, many of them multinationals – and they **change their political strategy**: there is less and less need for them to influence the policies of states. They act above states, based on international economic freedom and their many alternative locations.

Migratory movements, that are virtually all movements of labour, are more sensitive to conjuncture than to any long-term structural dynamics. However, conjunctures are almost systematically unfavourable and build poverty dramatically in vast regions of the world. And to a large extent this situation is the work of globalization. It is also possible that this intensifies economic integration that always leads to increased migration within the integrated space. If these aspects of migration show signs of being linked to globalization, probably the most evident aspect in this period is more **intensive illegal movements of manpower**, a large-scale (XXI century) return to slavery.

The growing importance of financial markets, the close links between these markets, and the great diversity of bonds and operations, namely in futures, is the main feature of globalisation.

Every day over one and a half trillion dollars are negotiated on the world market. In many OECD countries the financial assets managed by institutional investors are higher than the Gross Domestic Product of these countries and they are growing at much, much higher rates than the product. The average value of daily transactions in world markets is about twice the annual world Gross Domestic Product.

The history of globalization is the history of this quantitative and qualitative change in financialisation, where many operations involve **fictitious capital**, that is, buying and selling bonds and foreign exchange without any kind of connection, direct or indirect, with productive processes.

This absolute and relative importance of financial markets, the weight of fictitious capital, its growth at rates much higher than the product of countries, mean that financial markets operate as a maelstrom of monetary resources from all sectors of economic activity, such that they can create obstacles to the world-wide growth of added value.

The peripheries are of interest as suppliers of financial resources not as markets for goods and services. Men are “dispensable” in the reproduction of the system.

Financial activities are obviously economic activities, but of an unproductive kind.

If they are an economic activity they are useful, but this does not mean that they are productive i.e. that they create added value, that they create new value. There are economic activities that produce value. There are economic activities that use value (income) for processes involving the exchange of goods, including bonds or foreign exchange. There are economic activities that distribute values (income) among citizens, whether as the result of the ownership by each person, of their functions, of redistributive economic policies, or as an act of charity or any other desire by whoever owns the income. There are activities that use the goods acquired for personal or productive consumption (e.g. using equipment, using energy, using raw materials).

Let us continue with our scrutiny. **The financial activities that characterize globalization are not productive. This means that they use wealth (stock) or value added (flows) created in productive sectors.** Even taking into account the great speed in the circulation of financial market transactions, many of them based on “credit” and compensation processes, the scale of financial transactions shows the high value of capturing resources from other sectors of activity. Financial crises, and the speed with which situations involving a “breakdown in the circularity of credit” have been overtaken, show not only that there are important sources supplying added value but also that there are “reserves” that can be used when necessary.

“Where and how is value created to feed the yields of financial markets?” “How does the transfer take place?” These are crucial questions. There are traditional processes and modern processes.

The former include, firstly, the use of value added created in productive sectors, using surplus value that results from work, that results from variable capital. Secondly, there is the transfer of resources from underdeveloped economies. The latter includes the extra surplus value resulting from a system of enterprise management on a world scale, private ownership of the profitable social security sectors and also all the fiscal advantages (rewarded through disadvantages for others) and support for large companies.

We shall not cover the well-known forms of creating surplus value as they are indeed well-known, but we must be on the lookout for new forms: (a) technological developments, notably in information and communications technology, have resulted in the de-qualification of many professional sectors, which have become mere basic and unqualified operations, incapable of adapting to new working conditions. (b) These technological innovations have created conditions for the intensification of work, thereby reducing, in some cases drastically, the porosity, that is, reducing “dead time”. (c) The increased productivity per (chronological) hour has made it possible to reduce the merchandise that comprise the value of the labor force. (d) high levels of long-term unemployment, the substantial rotation of workers in the work place, facilitate greater “labor discipline” and acceptance by workers of conditions that in no way dignify human beings. This tendency is strengthened by the weakened revolutionary struggle of workers and by the political-ideological crisis among forces that desire the progressive transformation of society. (e) The international management of companies and the labor force provide geographical-social space where competition between workers is more favorable to capital which also tries to take advantage of the more propitious frameworks for social responsibilities and the “low salary/qualified labor” ratio. (f) The use of clandestine circuits to mobilize the labor force leads to the formation of an unprotected “new proletariat”.

As regards the transfer of underdeveloped economies, in addition to traditional procedures and the importance assigned to monetary and financial systems, there are also some processes that are typical of the current internationalization, of globalization: (a) The geographical-social expansion of the influence of major capital and the stronger role of multi-national companies (or metanational, if you prefer) in many undeveloped economies. (b) The World Bank and the International Monetary Fund have increased

their influence and have been accompanied by the World Trade Organization, the successor to GATT. With this institution, trends towards “free trade” were intensified.

Stieglitz’s position on these aspects is interesting:

Changes in mandate and objectives may have been discrete but they were not subtle – the IMF stopped serving world *economic* interests in order to serve world *financial* interests. Liberalization of the capital market may not have contributed to global economic stability, but it opened up vast new markets to Wall Street (2004: 263).

As regards modern processes for appropriating resources only for financial markets, other possible mechanisms should be noted, including special attention to the major importance of adopting a reform system based on capitalisation and private management. This permits the accumulation of considerable monetary resources obtained from citizens in general, immobilized over many years and that can be used readily and easily in stock exchanges. Only a few State and legislative controls, when they exist, can hamper these processes.

It is our working hypothesis that these sources of income for financial markets are not sufficient to sustain the current volumes of financial transactions, their growth and rapid recovery in crisis situations. **There is another source: the unrecorded economy** in the technocratic terminology of the OECD, or the **underground economy** as we prefer to call it. Part of it will be the result of tax evasion, another part will appear as informal activity (the borders of which are difficult to identify) and yet another will be due to illegal activities.

Although there are “no statistics” to measure this reality directly, there are models, econometric techniques and procedures that can produce a pretty accurate estimate of its existence and value. All this information confirms that it has intensified since the 1980s (the beginning of globalization) and that today it accounts for roughly 25% of world GDP. In other words, the world’s annual product is 1.25 times the official figure, and we are all “surrounded on all sides by the underground economy”. It is not an addition to the system, a marginal part of it, but an integral part of the entire economic fabric, and no one is unaffected by it: It averages 25%, fluctuating between 5% and 70% using rounded figures and depending on the country. The relative importance of its various components also varies.

Still with regard to the underground economy: (a) many of its activities are productive; (b) the fact that money has become a symbol of power and happiness, the

ultimate purpose in life for growing sections of the population, weakens moral behavior and creates favorable conditions for the expansion of this kind of economy; (c) the free circulation of capital, weak intervention by the state, the fluidity of markets and anonymity are fundamental pillars for “money laundering”, more precisely, for enabling capital-money from illegal activities to move into to legal ones and vice versa.

Offshore territories, frequently known as tax havens, anonymous locations for financial operations, territories located in “large well behaved countries”, are particularly appropriate structures for all these processes involving the use of the underground economy’s resources in financial markets. **The existence and strengthening of the underground economy are fundamental components in the existence and reproduction of globalization.**

Given all the aspects mentioned above, we can state that this internationalization affects all corners of society, but manifests itself unequally, depending on the moment and the location, on one occasion involving capitalist accumulation and on another disarticulating integrated/marginalized societies. The peripheral regions are either involved in or removed from specific globalization processes, depending on the interests of big international capital. The labor market continues to be a fragmented and segmented market. **Social inequalities increase.**

Statistics prove unequivocally that from 1983 onwards inequality between the various countries in the world has intensified. As Amin points out, the structural tendency is for inequalities to worsen, with “greater polarization” (2000:246/7).

There is not enough statistical information to reach a conclusion on the evolution of the unequal division of income among the citizens in one country or, even less so, on a world scale. Despite this precaution and the fact that the situation certainly differs from region to region, from country to country, there are many indications of growing inequalities among citizens. In this respect, information provided by UNDP cannot fail to shock us:

“The 500 richest people in the world have a joint income that is greater than 416 million of the world’s poorest people”.

c) Underdevelopment does not mean being backward. Development does not mean bringing the rich together

Three aspects support this statement.

The issues of underdevelopment (using this or any other name) and development are historically recent.

Using studies to reconstruct economic series covering centuries, we can easily conclude that the main differences in terms of the development of countries, and the appearance of a tendency for them to get worse, are closely associated with the industrial revolution.

Underdevelopment, including for obvious reasons Africa, is not an inevitable, “natural”, phenomenon but a product of capitalism, with primitive accumulation included in this generic term. A result that was not generated by the societies that are today underdeveloped, but rather imposed from outside – although internal complicity at various historical moments requires analysis – by slavery, by colonization, by the imposition of certain kinds of economic, social or political relations of domination, or by neocolonialism. We can add development assistance and the imposition of globalization as being responsible more recently.

We must never forget that the very process of “developing” the poorest areas is an integral part of globalization. It is a way of strengthening the centre’s control and power on the peripheries, a way of maintaining the *status quo* inherited from neocolonialism.

Development policy has been configured juridically-institutionally as an intervention by the developed over the underdeveloped.

At the end of the Second World War, the USA assumed hegemony of the capitalist world. The USSR emerged stronger. National liberation movements, expressing people’s desire to decide their own fates, were stronger. A huge, lengthy reconstruction effort was required. This was the context when US President Truman, in his speech in January 1949, dedicated some of his proposals to “underdevelopment” and “development”. This was the fight against “misery”, “hunger”, “a primitive and stagnant economic life”, “poverty”. There was the belief that scientific development, “economic cooperation”, “private capital”, “agriculture” and “labor” were able to resolve this underdevelopment. It appeared as something that exists “naturally”, without a cause, with the intention of forgetting the responsibility of colonialism.

But what is of particular interest to us in this analysis is Truman’s understanding as to what the development process is all about: it appears as an action by a (developed) agent on another (underdeveloped) agent. It is not just a rhetorical reference but something that corresponds to the hard core of ethnocentric thinking about “the most backward”. It is the continuation, in another historical age, of what was stated in the

Versailles Treaty after the First World War: the existence of peoples who do not know how to look after themselves with the imperialist powers taking on the responsibility of managing them. It is the continuation of colonialist thinking that persists up to today. Even more important is the fact that this concept of “development” became the official position to be followed. From that time on, different forms of “cooperation” have multiplied: international and national bodies “for development”, political decisions, many thousands of specialists on cooperation, development and other specialist fields and NGOs. Development assistance has become a veritable industry with headquarters in countries in the center and their agencies and representatives in the counties of the periphery. An industry for the reproduction of neocolonialism. And if in many situations there are good intentions, we recall the popular saying: “the road to hell is paved with good intentions”.

Finally, to complete our voyage of joint reflection, we should study in more detail an alternative reading of this institutionally consecrated position: **underdevelopment is a unique characteristic of a country or group of countries, not the absence of something that exists in developed countries.**

Terminology changes and expressions that are often used as synonyms can have many different meanings. A few decades ago we talked about “underdeveloped” countries but today the term “developing” has been adopted. Both terms have advantages and disadvantages and the way we use one or the other is irrelevant as long as we are careful about what they mean and do not allow ourselves to be lulled by the sound of the words. In one or another situation the basis of a classification will be a comparison with others, with those who, using Rostow’s model, have already passed through this phase: the underdeveloped is still not developed, and this is proved by the visible difference between one and the other provided by statistical information.

This approach to the problem reflects that

It is through one of the “developed” countries whose dynamics conceal the specific characteristics of “underdeveloped” countries that underdevelopment gains the status of an autonomous problem. (Figueiredo & Costa, 1982:21)

It reflects the fact that the commonplace reading of underdevelopment and of development is ethnocentric. Indeed, as emphasized by a Masters student in African

Studies in Mindelo, Cabo Verde, from the historical viewpoint statistical comparisons between developed and underdeveloped economies have no meaning. Speaking of “capitalist development”, the history of Europe began with the industrial revolution and the history of Africa began with the independence processes, or perhaps with the national liberation struggles.

As the above-mentioned authors emphasize,

An unbiased concept of underdevelopment must include recognition of the conditions that make it possible for social agents in “undeveloped countries” to evaluate their own reality. (29)

In other words, **the characterization of underdevelopment must arise from the structure of these economies and not by comparing them with others.**

The clue that we leave here, as economists and in line with structuralist theses about Latin America, is that underdevelopment is another face of disarticulation, of the breakdown and conflict between different “strata” of society. It is possible to establish a positive correlation between the frequency and intensity of these disarticulations and the level of indicators often used as proxies for underdevelopment-development. This disarticulated segmentation is expressed, in addition to other ways, though the low density of the inter-sector matrix.

In other, less technical, words, underdevelopment manifests itself by the absence of production chains, by the absence of articulation between the different sectors of activity in a given space: in a country almost always, in a community of countries sometimes.

So this interpretation of underdevelopment, and thus of development, requires us to be very careful with the synonyms we attribute to them. Two examples. Modernization of the economy or of society might not mean development and can even lead to the opposite. Cooperation may not mean development and might even lead to the opposite. In one or other situation all that is required is not to change the “density” of the inter-sectoral matrix or even reduce it. And we should not be surprised that this happens because it is probably the most common situation when this modernization or this cooperation is determined essentially by the interests of societies in the centre, the leaders of globalization and when there is true altruism and the will to help the most needy this often happens.

Development only takes place when there are structural changes that make the inter-sectoral matrix more dense, reducing the “disarticulated/segmented dualism” (or the disarticulated segmentation).

However, this position must not be mistaken for self-sufficiency or lack of integration in the world economy; in all circumstances, and particularly today, this would be absurd. Development leads to many aspects of peoples’ lives “coming closer to the rich”, but this approximation is not development.

d) Cooperation can harm development

How can cooperation, which in the Portuguese dictionary has as synonyms “collaboration” and “solidarity”, be harmful? In a Europe that inherited a Judeo-Christian culture, doesn’t the idea of cooperation immediately bring the balm of harmony, the prime condition for a better future? We must not allow ourselves to be lulled by meanings of current knowledge that are completely maladjusted to international customary law, political practices and economic significance.

In order to materialize these precautions we insist on two points.

That which is frequently termed “development cooperation” involves many different forms of funding and intervention, as highlighted by international agreements and treaties, by manuals on these subjects; “public flows”, that range from technical cooperation to budget support, from food aid to loans; “NGO grants”, which may be closer to the above mentioned “solidarity”, despite the great diversity of non-governmental organizations; “private flows” that are a vast panoply, including direct investment or bank loans. **What was previously termed “entrepreneurial business” in many situations today is called “cooperation”,** but this is not how profits are miraculously transformed into income for the local populations.

If development is understood as the action of the developed agent on the underdeveloped agent – a concept that we have already rejected – then cooperation is the institutional figure that permits this action, that permits the linkage between the developed and the underdeveloped. Consequently, **cooperation is an integral part of the development concept that is an extension of colonialism. It is a new aspect of neocolonialism.**

It must also be said that very often cooperation is a cover-up for international political hypocrisy. A war is launched and then is followed by “aid for the displaced” or “humanitarian aid”.

In a very interesting recent study, all the more so given that its positions arise from an interpretation of documents of the Bretton Woods organizations that would never accept its conclusions, Milando dissects the concept of “cooperation”.

There is a difference between three distinct, different dimensions of “development”. Firstly, there is the “development-process”, i.e. a set of ongoing social practices and dynamics, whose main mentors are the “development operators”. They include policies, organizations, institutions, professionals and practices that exist and reproduce themselves around the notion of development. These elements configure social dynamics that can be easily identified by the methodologies that they produce and constantly try to put into practice. Another dimension of the development phenomenon is called “development – result” and refers to the real results produced by the first dimension. Finally, in third place, there is “development-utopia”. (2005:37)

Starting out from a given development idea (utopia), development operators take actions (process) that lead to certain results in the destination countries (result). The conclusion reached is that the results are ridiculous compared to the scale of the process and the utopian intentions. As the saying goes, “the mountain gave birth to a mouse”, and one that moreover can behave disastrously.

Even though we may agree with the diagnosis of the results, we disagree with its causes. The author identifies the cause of the failure as inefficiency in the development-process. For us, the heart of the problem lies in the view that development is a process of this kind, in the idea that there are countries and peoples that, for whatever reason, are unable to take responsibility for their destiny.

Is what is currently called cooperation necessarily harmful to development? Probably not. Moreover, one cannot move from the current concept of cooperation and development to another that is totally different without “repairing” the damage caused by many past historical events.

What we are saying is that “cooperation” can aggravate the de-structuring of inter-industrial relations and, in these cases, we are faced with “development cooperation” actions that aggravate underdevelopment. Unfortunately many cooperation actions are of this kind.

Cooperation generates development dynamics, but in countries that are already developed. It gives rise to expansion of the “cooperation industry and services”.

Hypocritical references

Theories follow theories, missions of the cooperation industry get agitated, consensus is forged in the shade of political fragilities in the periphery, and under the hope of financial generosity, poverty in its most extreme forms continues.

Hope must be maintained, as marketing, as the conciliator, as the intellectual satisfaction of some. New theories arise, become fashionable. All are welcome as long as they entail the underdeveloped being responsible for their underdevelopment, as long as there is no rummaging in the past where decisive responsibilities of the centre economies might be found, as long as they confirm the dominant neo-liberal theses.

At the moment the justification that Africa's backwardness is because they are "rent seeking" economies" is fashionable. So fashionable that misinformed analysts feel the need to use this terminology when they wander through unknown lands, through African worlds, that of course they were never interested in understanding.

For this reason I would like to leave a few brief notes on the explanations of the "rent seeking economies" that rapidly become "rent seeking states".

- Firstly, these theories require us to analyse very carefully what is called rent and how this is an integral part of economic, social and political organization. Concentrating on the notion of rent as "income higher than expected" immediately gives a negative tone to the concept of rent. The expected is the normal, that is, it corresponds to the remuneration of factors – profit as a social category with its own characteristics does not exist; its nature is equivalent to salary and interest, remuneration that is appropriate for the respective productivities of the factors – and to the spontaneous workings of the market moving towards equilibrium. So rent impedes the free working of markets, and hence is objectionable. And because instead of a rent society there is a tendency to speak of a rent state, once again the state appears as an obstacle to development.
- It is true that in many African societies rent is extremely relevant to GDP. This situation is of no value in itself, but as an indicator of economies that for historical reasons are heavily dependent on mining and oil, and the agricultural sector. It is true that the state is frequently one of the most important owners of property or important rights over exploration and exports, and that it holds an important

percentage of rent. However, these situations are neither good nor bad in themselves. They are bad when they are the expression of a productive structure that is geared to overseas and not articulated. Moreover, during the independence processes there were few alternatives as either the new states maintained the structure and ownership of property as before – meaning that many of the essential aspects of colonialism continued into independence – or they had to take full or partial control. A careful reading of these situations relates to a history that they wanted to be forgotten and shifts the issue to the productive structure.

- The existence of income based on property is an impediment to the growth of the capitalist economy – this problem was often addressed by Marx in a different historic period and for different societies, but retains all its relevance and generality. In an age of strong international competitiveness, the “immobility” of ownership comes into conflict with the strong “mobility” of the flexible productive organization that can easily be transformed. To this extent, and because the great importance of rent is associated with commercial dependence on overseas and on the disarticulated “duality” we have spoken about, the “economy heavily dependent on rent” is in a worse condition to participate in international competitiveness.
- Case studies on rent economies show that their existence and distribution does not have only negative aspects. In many situations they also have positive aspects, namely, permitting primitive accumulation that underdeveloped countries have been unable to do. It is true that in many situations the way rent is distributed includes clientelism, corruption and various kinds of fraud. The existence of rent can facilitate or expand these situations, but the problem does not lie in rent but in the "political elites", in the state.
- While concentrating attention on underdeveloped economies, these models forget to say that developed economies also have large swathes of dependency on rent, as we saw with regard to the purpose of the financialisation of the economy in the globalization period.

In conclusion, we must use these fashionable notions with great care, subjecting them to the critical eye of science.

Final note

Much more could be said here, as a summary of what was said earlier or as the starting point for other work, but we prefer to conclude as we did in the paper presented to the IX Luso-Afro-Brazilian Social Science Congress (Luanda, November 2006).

We have no doubt that the current situation must be radically changed. This will only occur through struggle: for clarification, for a change in the correlation of forces in the “invisible colleges”, of change in social practices. Spontaneously the correlation of forces is favorable for continued globalization and for this “development”. We also know that the future is a collective construction and that initially there will be no new reference paradigm. Hence the importance of transcribing what we presented at the beginning of this point.

Improving the quality of life of Africans has got to be essentially the work of Africans in the context of the internationalised economy. Nevertheless, we must be careful with these overly generic formulations: in “improving the quality of life of Africans (a1) must be the work of Africans a2” we are using the same term with two different meanings. By a1 we mean all citizens living on the African continent; by a2 we are implying a sub-set of it, where those holding power and elites (to use a fashionable expression) have a vital function. Many elements of this second subset will be more associated with the *status quo* and further away from the quality of life of the first set than many citizens in highly developed countries.

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