

Thandika Mkandawire And Charles C. Soludo, *Our Continent, Our Future: African Perspectives On Structural Adjustment*: Dakar, Senegal: Council For The Development Of Social Science Research In Africa, 1999. P. Xiv + 176. Price: Unknown

The debate over structural adjustment programs (SAPs) in Africa continues, and rightfully so. Africa is home to much of the world's poor, and the SAPs have represented a dominant policy paradigm strongly endorsed by the World Bank as *the way forward* for Africa. The World Bank position was stated in no uncertain terms in its 1994 report *Adjustment in Africa* and was effectively criticized in that same year by N.H.I Lipumba in his Overseas Development Council report *Africa Beyond Adjustment*. In the volume under review here, Mkandawire and Soludo synthesize a collection of 30 commissioned studies on SAPs in Africa which were presented at two workshops in Abidjan, Cote d'Ivoire. A selection of these commissioned studies will be released in the near future.

Much of African scholarship on SAPs involves repetitious histories on colonial rule and exploitation. The authors avoid this pitfall without losing a critical, Africanist perspective. From the first chapter of the book, they adopt an analytical perspective of *path dependence*, a very useful approach to development studies of all kinds. Within this broad framework, they trace the African adjustment crisis to the oil shocks of the 1970s and the subsequent collapse of support for rural economic development. Their Africanist perspective also contributes positively to a critique of the "new political economy" as it has been applied to the African policy making process, and in so doing it provides a refreshing new look at current received wisdom.

A solid chapter entitled "The Adjustment Experience," like the Lipumba contribution mentioned above, calls into serious question the World Bank's own assessments of African SAPs, and does so in a skillful and reasoned manner. The authors repeatedly call for Africans and African governments to take a new lead *vis-à-vis* foreign "experts" in charting a new course through stabilization to long-term development. "Afro-pessimism" must be left behind, and the difficult process of constructing democratically-based, development states must begin.

What about specifics? In a long and final chapter entitled "Widening the Road," the authors take up trade and industrialization, rural development, resource mobilization, debt relief, regional integration, and sociopolitics. Much of their policy advice is both heterodox and sound. For example, eschewing the uniform tariff orthodoxy of the World Bank, the authors propose simple, but non-uniform tariffication with tariff levels being set to generate needed government revenue. Further, they promote an infant industry and export promotion strategy in which infant industry protection would be explicitly temporary and based on performance criteria. With balance of payments considerations in mind, the authors see in export promotion a *prerequisite* for import liberalization. This is yet another reasonable departure from orthodoxy. The authors also take a reasonable approach to the capital account. They call for liberalization of the long-term, direct

investment component and for the postponement of liberalization of the indirect or portfolio component.

These trade and industrialization policies are to be accompanied by human capital accumulation *at all levels*, active technology policies, mild financial repression, and export-oriented credit strategies. Here, the authors fail to set priorities. They dismiss rates of return on education measures as "meaningless calculations," and offer no suggestions for how scarce education budgets ought to be allocated. In contrast to the Lipumba study, they pay little attention to the need for basic financial-sector regulatory systems. Their technology policy list is substantial, and again few priorities are offered.

Given the importance of the rural sector to most African countries, the three pages of the book dedicated to "agrarian revolution and reforms" is a significant disappointment. The authors point out the crucial nature of agricultural policies for overall development and social equity. They also correctly stress the need for location-specific agricultural R&D as well as rural extension. However, all-to-brief references to the Green Revolution and to Taiwan leave the reader somewhat at a loss with regard to crucial first steps toward the desired agrarian revolution. This is the weakest aspect of an otherwise-excellent book. Despite this weakness, however, the review recommends *Our Continent, Our Future* to any reader with an interest in the African SAP issue. It is clear the World Bank's 1994 report was off the mark in a number of respects, and it is indeed necessary for Africans to fundamentally recast the terms of the debate. The intelligence, intellectual broadness, and economic wisdom of Mkandawire and Soludo provide a solid first step in this process.

KENNETH A. REINERT

Kalamazoo College