

# Liberal models of Capitalist Development in Africa: Ivory Coast

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**P. Anyang Nyongo \***

## 1. - Structure

Expanded reproduction of capital results in the articulation of the capitalist mode of production with pre-capitalist modes. The nature of this articulation and its consequences for the pre-capitalist modes of production are a function of the requirements of capital accumulation and of the internal structures of the pre-capitalist modes.

The process of articulation is also a process of class formation. As one mode of production enters into contact with a new one, and, in certain ways gets conserved, re-structured or even annihilated, new relations of production-specific to this determining the economic, social, ideological and political practices of the bearers of these relations of production, the social classes.

It has been argued that articulation with pre-capitalist modes is necessary at all stages of capitalist development, that a purely internal accumulation of capital is impossible, and that, in the process of articulating with these pre-capitalist forms of production, they tend to be destroyed by capitalism. Capitalism, in this regard, tends to be an « exclusive mode ».

But, as stated above, contacts with capitalism need not necessarily lead to the destruction of these modes : they do, however, lead to a process of articulation for surplus extraction that may necessitate the destruction, preservation, or transformation of these pre-capitalist forms of production so long as the changing requirements of capital accumulation are satisfied. These requirements imply the kinds of capitalist activities through which surplus will be extracted, and the forms in which the surplus is to be embedded. The structures of the

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\* Department of Government, University of Nairobi, NAIROBI, KENYA.

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pre-capitalist society provide the division of labour in that society, the modes of surplus extraction, appropriation and distribution, and the class formations and struggles that arise from these and how they can be dis-imbricated, re-structured or conserved if production of surplus for capitalist appropriation is to be set in motion.

It is therefore possible to envisage the development of various types of colonial and postcolonial societies. The invariant element in the structures of articulation is the eventual transfer of surplus, in one form or another, from the pre-capitalist to the capitalist sector. At a certain stage in the development of peripheral capitalism, the capitalist sector coincides geographically with the colonizing country; this is the stage when capitalism of the colonizer underdevelops the periphery in the very transitive meaning of the concept « underdevelopment ». As time passes, however, not only do the needs for the accumulation of capital at the centre change, but the structures of the precapitalist societies, given their specific and historical forms of articulation with capitalism, also change, bringing to bear new classes and new forms of class struggle.

Initially, extra-economic forces are necessary to create agents for capitalist production out of the pre-capitalist modes before the articulation process acquires its own momentum. That is within the pre-capitalist production processes, there are no built-in mechanisms for producing the surplus for capitalist accumulation. Whatever surplus is produced, class relations within that mode determine its manner of appropriation. For it to be appropriated in a different way, a social power, imposing itself on these pre-capitalist societies, was necessary to re-organize these class relations and re-constitute them in a new way. This task of dis-imbrication of relations of production within the articulation process is a deliberate undertaking of the colonial state.

It is at first an act of intervention, necessitating force, but aimed at creating dominance for the capitalist mode and hegemony for the dominant classes within this mode. This implies that colonial state is, by its very nature, a transitory form of political domination; it must give way to a form of political domination in harmony with capitalist relations of production once these have evolved sufficiently. That is, the colonial state forms classes out of the precapitalist societies only to eliminate the social basis of its own existence.

It is this change in the social basis of the state that explains change from a colonial to a post-colonial form of political domination. A neo-colonial society is born once the articulation process has brought into being « support classes » who are active bearers of capitalist relations of production and who, given sway over the state as the co-ordinator — or the constitutive element — of the social formation, will act as stabilizing agents for the reproduction of the social system as a whole. Formal political independence is a consequence of the evolution of neo-colonial relations and not its origin; it is the formal admission that the deliberate mission of the colonial state to establish capitalist relations of production in a colony has been accomplished and the process can reproduce itself.

## 2. - Genesis and Evolution

The development of capitalism in the Ivory Coast has been influenced mainly by two sets of economic activities : production of « cash crops » by Ivorian peasants and the buying and selling of these cash crops by French trading companies with Lebano-Syrians as commercial middle-men. In post-colonial times, the state, in conjunction with private capital, has built upon this foundation to redirect ways of surplus production and to create new sectors of capital formation.

To begin with, commodity production was peripheral to economic life : the first stages of articulation, 1843-1913, saw independent Ivorian societies exchanging surplus extracted from within the division of labour in society for over-valued luxury goods brought to the coast by French, Dutch and English traders. This was the case of the French Congo. But a pattern of articulation had been established making possible for the ruling classes of such societies as the Agni of Sanwi to turn into a commercial class at this early stage of contact, or a *planter bourgeoisie* as the trade economy matured into large-scale cash crop production after the Second World War.

During this period, the colonial state was weak and derived its revenue almost entirely from taxes and trade ; it relied on treaties with local states to assert its authority in a colony whose operations were confined to coastal headquarters.

The second period, 1913-1945, begins with military conquest and occupation of the colonies strongly supported by the metropolitan state which constitutes a federal colonial administration, French West Africa, with headquarters at Dakar in Senegal, and end up with the completion of the effective « opening up » of the interior, the encouragement of economic growth and the « self-sufficiency » in administering the colony. Small companies give way to big trans-territorial ones ; the latter have strong contacts with the world of finance capital and are capable of opening up agencies and trading posts in the interior. Instead of leaving the Africans to sell to them whatever could be extracted within the pre-capitalist labour systems, they argue for *la mise en valeur* of these systems, their having to specialise in producing such commodities as would find a market in the metropole — i.e. France — hence their labour (or production) processes having to be re-organised to be in tune with the new mode of production.

The colonial state, to meet its administrative costs and surplus needs of these companies, joins in setting in motion this process of articulation, this process of disimbricating the social relations of production of the pre-capitalist social formations to suit the accumulation of capital in the metropole with companies as her agents.

## 3. - Elements of the Structure and Production Relations

The essential elements of the colonial system in the Ivory Coast were the following :

- (a) African labour from which surplus was extracted by the colons, the trading houses, the colonial administration, and a minority of African « small masters ».

- (b) The colons and traders, though belonging to different sectors of the economy (the former pre-dominantly rural and agricultural with much smaller capital; the latter, urban and international with more capital in manufacture and commerce).
- (c) The colonial state, interested not only in the fiscal health of the colony as a way of reducing the costs of administration (otherwise paid for by the metropolitan state), but also in *mise en valeur* of the colony, given the predominant interests of the French Economy.

During the Second World War, this system was put through a crises. When the war was over, the crisis, had so shaken the whole of the French Empire that the requirements of capital accumulation in the metropole (and much more so on a world scale) compelled France to dismantle her colonial empire, and reorganize the economic basis of the Overseas Territories in Africa. This new economic programme initiated from above but realising its objectives by articulating with the different ways of producing already set in motion in the colonies, created, in that process of articulation, new relations of production.

By abolishing forced labour, modernizing the techniques of production, improving credit facilities and taking over marketing in conjunction with private capital, the colonial state not only lost its social base but helped to create a new mode of production in agriculture : the rural capitalism whose most enthusiastic « support classes » were the Ivorian small masters.

The role of the post-colonial state is to consolidate the hegemony of international capital over these small masters, and the domination of a local power block of the political economy of the Ivory Coast. The post-colonial state is therefore both a cohesive mechanism for the Ivorian social formation dominated by a power block of local « support classes » and a formal-legal institution through which the general purposes of capital accumulation on a world scale is realised. It therefore enjoys double legitimacy as long as the conditions of accumulation are reproduced; legitimacy from the international bourgeoisies, and legitimacy from the local block of dominant classes. It is the role of the latter as « providers » of legitimacy and stability for the post-colonial state in harmony with the interests of the international bourgeoisies that defines them as « support classes » for capitalist development. Objectively opposed to them are the local direct producers (sharecroppers, rural proletariat and the urban working class) exploited in the process of economic growth, and some of the declassed fractions of classes (the *sans travail* in town and country side) existing outside productive work.

#### 4. - The Development of Capitalism in Post-Colonial Times

Increased production of coffee by the Ivorian peasantry, encouraged by the availability of labour from the north and rising world prices in the fifties, led to an increase in the wealth of the peasant households in the forest zone. There was a general upward mobility

in the southern rural economy which contrasted sharply with the relative stagnation of the north. While southern revenues from cash crops grew from 9.4 billion francs cfa in 1950 (at 1965 values) to 33.1 billion in 1965, northern revenues only went from 750 millions to 2.1 billion. The rate of growth was more or less the same, but the absolute magnitude of wealth differed radically. This is demonstrated much clearer when we look at per capita incomes from cash crops for the two regions : in the north, this increased from 1,000 francs cfa in 1950 to 2,400 in 1965 ; in the south this figure went from 7,100 in 1950 to 14,100 in 1965.

Since the north served as a labour reservoir for the south, it helped create the surplus value on which southern *chefs d'exploitations* then became upwardly mobile while the north stagnated economically. In other words, the north was under developed by the very process in which northern human resources, by the active participation of the state through such bodies as SIAMO (*Syndicat Interprofessionnel d'Acheminement de la main-d'œuvre*), developed the south. But within the south itself, there was also uneven development between zones.

At the level of individual peasant households, this general upward mobility — with varying amplitudes within the forest zone — was not always maintained throughout the decade of the fifties. Whenever coffee or cocoa prices fell, households with less than two hectares of productive coffee/ cocoa land were likely to be reduced to mere subsistence. This vascillation in wealth, cyclical by the very nature in which good and poor harvests follow each other in the coffee culture, did not usually reduce these poor peasants to utter poverty except in marginal zones in the central region ; but even in the latter case the phenomenon of utter impoverishment was not felt until the late sixties and early seventies. Peasants try to fight this impoverishment by migrating to new lands.

Among the medium and rich peasants, the general tendency was for bourgeoisification, i.e., acquisition of more and more labour so as to become real Ivorian planters. And the work of a successful Ivorian planter was not just to be seen in rural wealth, but in social wealth as well : real estate, ownership of means of transport, share capital in parastatal bodies, etc...

Among the rural population as a whole, polarisation of wealth occurred between the *planter bourgeoisie* and the small master social category. But as long as fractions of classes among the small masters had hopes of rising above their class, the social category remained, as its name suggests, a category : a differentiated social mass with its hopes pinned above its present achievements. That is, a suitable ground for the generation of legitimacy for the regime of private property.

Characteristic of all capitalist societies, such a mass has a tendency of conservative politics. Where this mass actually became a majority and enjoyed full rights of citizenship while those from whom they did or could extract surplus value were generally non-citizens, it can be seen how a neo-colonial regime started its lease in office with such an adequate source of legitimacy.

### 5. - The Post-Colonial State and Liberal Capitalist Development

The post-colonial state has, since formal political independence, stepped in to consolidate the small masters as a class. Through state agencies such as BNNDA, SATMACI, the caisse, SOODEPALM, etc, a class of petty commodity producers is crystallizing in the countryside as expansion into cash-crop production gets more and more tightened. Competition for state resources become, therefore, an arena for inter-class and intra-class conflict, often, appearing in the form of nationalisms, tribalism, regionalism or native-nonnative struggles.

But these struggles are, in actual fact, the specific historical forms of social conflict at this historically determined conjuncture in the growth of a liberal capitalist economy in the Ivory Coast. We might, if only schematically, expound on this liberal model to include dependant post-colonies which, after formal political independence, have committed the post-colonial state to the progressive integration of their social formations into the world capitalist system. Primarily this means a commitment to defend the regime of private property. Thus individual ownership of the means of production and individual accumulation of capital is encouraged if not solicited, but since a significant fraction of potential native capitalists are starting from a disadvantageous point from their foreign counterparts, *they have to rely on the state to build them up as a class.*

This reliance on the state for primary forms of accumulation can, in itself, be a hazard to the creation of a bourgeois democratic republic as the « national political home » for capitalist development. For the state, while creating the juridico-political framework for the augmentation of capital, must seek to appear independant of fractions of capital. But bourgeois legalism does not always open avenues for capital accumulation by upwardly-mobile strata inspite of the state corporations, state banks, stabilization funds, etc all of which syphon surplus value from the direct producers for accumulation by diverse fractions of capital. Those who fail to get legal access to these surpluses can resort to process of primitive accumulation through state machinery. This, is where the problem of straddling comes in and where there can be conflicts among fractions of capital as to what form the bourgeois democratic revolution is to take and who is going to man critical state apparatuses. Thus, in the Ivory Coast, this problem expresses itself in the remarkable increase in the number of French technocrats manning state apparatuses since formal political independence.

At the time of independence there were about 5,000 Frenchmen in the Ivory Coast. In 1907 there were only 750. Since then the Growth of the Ivorian economy and the policy of the ruling class to rely on a governing technocracy which would not involve itself in local accumulation has seen the figure rise to 45,000.

On January 1, 1976, the French consul-general at Abidjan had 34,838 Frenchmen and women on its books (23,000 adults and 11,000 children). There are thought to be another 9-10,000 Frenchmen who have either been in the country since before independence or have not bothered to register since.

Three quarters of the French working population is in the private sector in commerce, industry, agriculture, trade and the professions. This goes a long way to explain why 52 % of the industrial capital of the Ivory Coast is still in French hands. As a result in 1975 there was a turnover of 5,000 Frenchmen mostly in the private sector.

A quarter of the French population is formed by « co-operants », the French technical assistants, who come out through official or governmental organizations. Over half of these young people (osme time doing technical assistance in lieu of national service) are school-teachers and most of the remainder are in public or semi public service.

In other cases, the manning of such state apparatuses become the first arena for intraclass struggles among the ascendant petty bourgeois strata. Ethnicity might then be used by certain fractions of capital to entrust an ethnic petty bourgeois strata with responsibilities over state apparatuses so as to ensure non-legal and legal methods of accumulation by these fractions.

What makes it possible for one country to have this type of state personnel while another has a different type, is that these societies are at different stages of developement. In some the national bourgeoisie as a dominant class is much more developed while in others it is not. Where the bourgeoisie is more developed it tends to be more fractionalised, especially as these fractions engage in cut-throat competition over control of state apparatus to determine patterns of accumulation and to lay down the legal framework for the accumulation of capital. In such cases, the fraction which becomes ascendant makes the state more politically repressive only if it represents politically 'weak' capital, i.e. a capital with little ability to forge a politically broad alliance with other fractions of classes so as to exercise some form of bourgeois democracy. This is the only sence in which we can interpret and explain the emergence of diverse forms of military dictatorships, absolutist regimes and commandist politics in Africa. When the bourgeoisie is still in its very nascent stages, fractionalisation minimal and there is usually greater and more overt collaboration with foreign capital which may lead to the crystallisation of a comprador fraction within the national bourgeoisie. The politics of this nascent bourgeoisie is frequently commandist ; in the Ivory Coast this commandism incorporates reliance on French technocrats governing at the behest of the nascent bourgeoisie and their foreign allies.

## 6. - Dependency and Indigenization of Capital

Although the indigenous bourgeoisie blossomed much later in the Ivory Coast than in Kenya, Uganda, Nigeria, or Senegal, 20 years of the commandist politics of Houphouet Boligny has seen the consolidation of the indigenous agricultural bourgeoisie amongst whom a comprador fraction has crystallized challenging the other bigger fraction over state power. The January 21, 1978 issue of the *Economist*, reporting on president Giscard d'Estaing's visit to the Ivory Coast sees the current fractionnal conflicts as being organized around the « succession issue », a phenomenon which, in Kenya, has been the political game of the bourgeoisie for the past decade. The article says :

*It was especially reassuring for the economically buoyant Ivory Coast, a Country which supplies the west with coffee and cocoa and which faces political uncertainty once the moderate Mr. Houphouet Boigny, now 73, leaves office. He is preparing his epitaph in Yamoussoukro, where wide concrete boulevards and a four-storey marble presidential palace contrast startlingly with the flattened jungle.*

*France still keeps five military bases in Africa, in the Ivory Coast and Senegal in the west, Gabon farther south and Djibouti and Mayotte in the east. In all there are about 7,000 troops in these bases to whom can be added an elite intervention force maintained at constant readiness in Southern France. What is not clear is whether these troops might be used to help FRIENDLY African leaders tackle internal problems as well as to meet attacks from outside.*

What kinds of « internal problems » should a successor of Houphouet-Boigny expect in the Ivory Coast ? Would it really be a problem of workers and peasants bidding for state power ? Or would it — which is the more likely case — be fractions of capital « fighting it out » among themselves, and only dragging the masses into politics to support this or that version of the bourgeois democratic revolution led by this or that fraction ?

A broad analysis of the different fractions of capital in the Ivory Coast would reveal the following. One, for most of the last twenty years, indigenous capital has been dominant only in agriculture, and only in that agricultural sector with very low organic composition of capital. Thus coffee and cocoa planters, relying very much on immigrant labour, have been the planter bourgeoisie producing militants for the ruling political party. The practice of straddling has, however, taken certain members of this planter bourgeoisie employed in the state apparatuses, to deploy their capital outside agriculture, or to accumulate in other sectors of the economy in a significant way. These patterns of non-agricultural accumulation have been two : accumulation within the traditional commercial sectors still dominated by the French and Lebano-Syrians ; and accumulation in the booming industrial sector in which transnational capital is becoming the dominant fraction of capital albeit the state is trying to acquire a progressive foothold here.

### **The traditional commercial sector**

The traditional commercial sector was the import-export trade : import of consumer and durable goods and export of agricultural commodities, wood and some minerals. The French import-export houses like the *Compagnie Française de l'Afrique de l'Ouest* (CFAO) and *Société Commerciale de l'Ouest Africain* (SCOA) are said to have handled the larger share of this import-export trade. It must not be forgotten, however, that smaller commercial groups, quite often functioning only within the Ivory Coast albeit in alliance at times with these bigger groups, have played important roles in the political economy of the Ivory Coast. At this particular juncture when there is a transitional process from a trade economy to an industrializing economy, the fate

of these small commercial companies become critical. It is they who threatened with extinction either by the dynamism of the industrializing economy or the economy nationalism of the emerging African bourgeoisie, will seek to forge alliance with this or that fraction of the African bourgeoisie to ensure their future.

There are about 5,000 Frenchmen in the Ivory Coast who were born into families that have been established in the country for anything between 20 and 50 years. Over 9 % of Frenchmen were actually born in the country.

This old colonial community is not homogeneous but highly differentiated on wealth, education attainment and profession. It would be wrong to say that there is still a large commercial or planter community in the Ivory Coast. The significance of the few that are still left is determined not by the length of time they have been there (this is significant) but by the kind of economic activities they are engaged in. Many of the longest established industries are presided by colonial household names like M. Blohorn, with his *palm and soap interests*, or François Massieye, President of the Chamber of Commerce and former territorial counsellor and deputy in the Ivory Coast Constituent Assembly, or Hughes de Quatrebarbes, a planter and manager of various companies, and now President of the Association of Frenchmen in the Ivory Coast. Of the 232 coffee exporters, Africans have shares in less than 5 handling a negligible volume of coffee every year. When the *Société d'Etudes et de Réalisation pour l'Industrie caféière et cacaoyère* (SERIC) was established in 1970 to reorganise coffee treatment and trade by establishing a local treatment plant (or factory), then management was entrusted to Jean Abile Gal a French import-export house that has operated within the Ivory Coast since colonial days. Together with Société Nouvelle, Compagnie Ivoire Café, Eburnes, Daniel Angel et Fils and Compagnie Ivoirienne de Promotion pour l'Exportation et l'Importation, they contributed the majority of the private capital component of the factory.

Private foreign capital came in through investments by the Banque Internationale pour le Commerce et l'Industrie de Côte d'Ivoire in which Banque Nationale pour le Commerce et l'Industrie, Banque Nationale de Paris and the Société Financière pour les pays d'Outre-Mer all have majority share. In the same way, Crédit Lyonnais of France, through Société Ivoirienne de Banque, also has investments in-hence part ownership of SERIC.

The state holds 55 % of SERIC capital while the private interests hold 45 %. Being a majority share-holder, the state has the power to determine the future of SERIC. From recent experience, however, the local French import-export houses-monopolising management skills for the running of such a factory as the first one at Toumbokro-have managed to determine what kinds of follow-up factories are going to be built and who is going to manage them-the import-export houses themselves. It is quite likely that certain fractions of the Ivorian bourgeoisie, desirous to enter into the coffee business, would find this dominance of the local French commercial interests an impediment to their own upward mobility as a class.

Their reaction would be to ally with fractions of international capital which are also investors in the factory to oust the local French capitals. The local French capitals also have the choice of playing fractions of the African bourgeoisie against one another; this they can do by offering some individuals directorates in their companies. International capital can also do the same, but a local French company, with a restricted capital turn-over, feels much more beholden to its African allies than an international or transnational capital.

The SERIC factory project represents the pattern of industrialisation now beginning in the Ivory Coast. It is no longer a question of just import-substitution-i.e. manufacturing locally goods previously imported as finished products either by doing the « finishing touches » on them once they are imported « semi-manufactured » or by importing the component parts and assembling them locally.

The present Ivorian model is to encourage industrialisation for export using raw materials and commodities from the home economy. Import-substitution frequently only transferred branches of foreign firms from their foreign homes to be housed in the territory of the Ivory Coast. The car assembly plants, especially the Renault one, are of this genre: the technology, the parts, management and capital are all predominantly from the metropolitan parent country. But one may also be led to ask to what extent the Capral soluble coffee factory (Capral is a branch of the Swiss multinational Nescafé) in Abidjan is any different from its motorcar counterparts. The only difference might perhaps be that Capral's products are meant to serve the African and Middle Eastern markets, in which case the « Made In Ivory Coast » coffee might fetch some foreign exchange for the Ivory Coast. But Capral's « backward linkages » into the Ivorian economy apart from coffee which it gets *sur place*, are minimal. The *Société Ivoirienne d'Emballagement* (SIEM), the packaging producing company, is one of the beneficiaries in the establishment of a local coffee exporting like Capral.

But SIEM's own inputs seem to be predominantly imported. Except in partnership with the state or foreign capital, it would appear as if African capital would be very cautious in challenging the hold that non-African capitals have in industry. In uniting with foreign capital, they may have the strength to challenge the much more immediate opposing forms of capital: the local French commercial and industrial capital currently dominating the Chamber of Commerce and Industry. Which fraction of African capital will seal this alliance: the comprador bourgeoisie which has recently accumulated capital mainly through strudling or the indigenous agricultural bourgeoisie who, in the words of Houphouët-Boigny, are not the offsprings of a « moneyed bourgeoisie ».

*We have created from different people a bourgeoisie of 'responsables' who have made their soil fruitful and have earned their land by their personal effort. Because, in our country, the land becomes the property of those who cultivate it and make it productive... ».*

### The booming industrial sector

In April 1976, a stock market was opened in Abidjan, the third in Black Africa after the Lagos and Nairobi ones. At the opening occasion, the then Minister for Finance, Henri Konan Bedie, said :

*The stock market in Abidjan will be the temple of poor economic liberalism where a nation of peasants can become a nation of shareholders.*

The average income per month among northern peasants in that year was 3,500 francs cfa (about \$ 18), and among peasants in the South-Eastern prefectures of Aboisso, Ayame and Abengourou 23,000 francs cfa (about \$ 150)). Given the rise in land values in areas like the South East, the increasing profitability of agricultural investment if more capital intensive, it is unlikely that these peasants will buy shares in the stock exchange instead of ploughing their money back to the land. The stock market gives Ivorians preference in buying shares. But it would appear that only wealthy civil servants and the commercial bourgeoisie — apart from the emerging industrialists — will become share-holders among the Ivorian population.

The stock market therefore heralds the birth of an industrial society in the Ivory Coast. Industrial in many senses : first, in the sense that local industrial production is beginning to rise, and two, that this industrial production will need capital, including share-capital raised from the Abidjan Stock-Exchange by some upwardly-mobile civil servant who would want to retire « on his savings ». Thus a new petty bourgeoisie may be born : a share-holding petty bourgeoisie that excited the imagination of ex-Finance Minister Konan Bedie.

In the 1960's, the Ivory Coast registered an average growth rate of 10 %, i.e., 10.4 % in the early sixties, 8.2 % from 1965-70, and 7 % upto 1974. Over the last 3 years, the growth rate averaged around 5 %. The rapid rise in growth in the sixties was due to the heavy investment in the Vridi Canal, the San Pedro Project and the Kossou Dam. It is in these projects that the bulk of government investment, whether raised locally or from foreign borrowings, went. Industrialisation by import-substitution was undertaken mainly by private entrepreneurs whose activities came to a slow down around 1973. Part of the reason was that, inspite of the very favourable terms on which private foreign and domestic capital was invited to invest, most foreign investors did not choose to re-invest their profits even within the 10 year period in which they were to enjoy no taxation on profits realised. Calculations over the period 1968-1973 showed that repatriation of profits and capital had been in excess of new private foreign investments and reinvestment by local firms. In each of those years foreign firms sent between 9,200 million to 12,700 million francs cfa (an average of over \$ 60 million) out of the country and has reinvested an average of about 4,000 million francs cfa (\$ 24 millions). It seemed highly unlikely, at the end of that period, that the amount of profits sent out would drop even if the government tried to identify the right projects for reinvestors. By 1973, 60% of the industrial sector was in foreign hands, and the only way the government could curb the ability of these foreigners to de-capitalize the economy was to bolster the public investment programme through the

Special Investment Budget. This was particularly urgent if, given the nascent fractionalisation of the Ivorian bourgeoisie, the economic nationalists were to be prevented from stirring populist sentiments among the petty bourgeoisie strata against « French » domination of society.

State share in investments in new (1970's) industrial projects has gone up quite considerably. It seems to be as if the Ivory Coast is pinning her hopes in making the textile industry provide an important base for industrialisation in the Ivory Coast.

The state is entering into partnerships with diverse forms of foreign capitals to build its textile industry. The same thing is happening with the nascent sugar industry and the much older palm oil industry. All these represent different forms of alliances among capitals and we shall not look into all of them. We shall, however, take the cases of textiles and sugar and see how they may both lead to the indigenization of capital in the Ivory Coast from the present liberal economy approach. Our suggestions should be taken as hypotheses, not as well-researched and proven blue prints for the future.

### The textile industry

The first textiles factory was established in the Ivory Coast by the Etablissements Gonvreville, a French company, at Bouake. Gonvreville's fortunes were never very much geared towards benefitting the Ivory Coast, but it has survived colonial and post-colonial Ivory Coast. In 1963, Gonvreville set up a new factory at Bouake using ALLEN cotton. To-day the Ivory Coast has 58,700 ha. under cotton yielding about 60,000 tons of cotton grain; plans are underway to increase this to 85,000 ha. and 95,000 tons of grain by 1980. Five companies are involved : SOTEXI, UTEXI, COTIVO, UNIWAX and BLUE BELL.

SOTEXI was started in 1968 to import cloth and print them locally more-or-less on the import-substitution basis. In 1969 it had acquired 6 new cotton spinning mills and 3 ginneries costing 400 million francs cfa. SOTEXI is an affiliate of UTEXI founded in 1974 with French, Dutch, Japanese and Ivorian capital : the Ivorian state owns 20 % of UTEXI-SOTEXI capital. Its plant at Dimbokro is one of the largest textile plants in the world, with a capacity of 12,500 tons per annum. The normal standard in the United States is 10,000 tons a year. UTEXI makes most of its cloth for the export market while SOTEXI takes cloth from it and prints them for the local market.

COTIVO (Cotonnière Ivoirienne), started in November 1975 with its factories at Agboville, is owned 70 % by ICODI and 30 % by the Ivorian government. Production is at the moment around 6,000 tons per annum, but is envisaged to increase to 9,000 tons by 1980.

UNIWAX, a Unilever subsidiary, was first started in 1971 with the aim of importing cloth for local wax printing. Then gradually COTIVO was encouraged to supply the special quality grey cloth required for the wax printing process. UNIWAX's output and demand for its prints is so great that COTIVO cannot as yet supply all the grey cloth it needs for the local market.

Blue Bell is 51 % owned by the US Reigel Textile Corporation, 19 % by ICODI and 30 % by Blue Bell Ivory Coast. Part of the Blue

Bell complex near Abidjan has been producing overalls and jeans from imported cloth since March 1975, but the project is designed to expand in stages. A second major expansion was completed at the end of 1976 : this increased production from 1.8 to 5.6 million clothes a year. Blue Bell Ivory Coast is the biggest of the Blue Bell chains in the world, and Ivory Coast's most ambitious venture in ready-to-wear clothes factory. It is most certainly the largest manufacturing industry in the country.

It has been suggested that one of the reasons why the Ivory Coast may become producer and manufacturer of textile products is that it has hard working and relatively cheap labour compared to Europe and the United States. Ivorian labour can put in 8,000 hours of work a year in the textile industry while their European counterparts can put in only 5,000. This brings in immense *cost savings* as the expensive machinery can be put to use near to capacity. The giant plants will be manufacturing the *same products* all the year round and waste can be reduced to a minimum. The problem in the future will be to find regular markets for products that are made of high quality material but are not high fashion cut.

Apart from cotton-based textiles, the Ivory Coast is also experimenting a MULBERRY plantation at Ndouci in the south with the aim of producing *silk* for a future silk industry advised and financed by the Japanese Nichimen company. The Japanese mulberry trees take some time to establish themselves but production is expected to begin this year. Again, it will be in collaboration with international capital and technology, particularly with the French firm Rhone Poulenc, that the state will initiate this silk industry.

This diversification of state — private — and foreign capital alliances in setting into motion the process of industrialization is also reflected even more glaringly in the sugar industry. The Ivory Coast has, for a long time, been a net importer of sugar. With increasing urbanisation of the consumption habits of Ivorians in rural and urban areas, sugar has become an important ingredient of the diet of the average Ivorian. Although statistics for its consumption are not reliable, import figures show that it has been going up steadily since independence. With the development of the dairy industry in the north, production of sugar cane is going to be very important in the Ivorian economy as part of the base in expanding cattle rearing.

In 1973 the Ivory Coast consumed 60,000 tons of sugar, in 1975 this figure fell to 35,000 due to the increased cost of sugar. By 1980, the 60,000 figure is expected to be regained, and consumption should rise to 100,000 in 1985 and 240,000 in the year 2,000. In 1974, a sugar complex was started at Ferkessedougou in northern Ivory Coast. This project, run by Lonrho, could produce 22,000 tons of sugar (1976 figures) and 35,000 tons (1977 production). Even with the projected 60,000 tons production for 1978, the Ivory Coast could not expect to be self-sufficient in sugar. Hence 5 new projects, aimed at making the Ivory Coast a sugar-exporter in the near future, have been envisaged. These are the Borotou, Ferkessedougou II, Serebou, Katiola and Zuennoula sugar projects.

Borotou, estimated to cost a total of 25 billion francs cfa, with capacity of 41,500 tons and a 5,000 hectares plantation, will be financed by French capital and managed by the French company, ADRA, of the Renault group.

Ferke II will cost about 85 million pounds to be put into operation at a capacity of 53,500 tons with an acreage of 5,700 hectares. Management will be provided by the Canadian company Redpath Sugar Ltd., a subsidiary of the English group Tate and Lyle. Its capital comes mainly from American, Canadian and English sources. Production is to begin by December this year.

The Franco-Belgian Company of SOMDIAA of the Grands Moulins de Paris group and the French engineering company SODETEG are behind the construction of the Serebour sugar project which is expected to produce 45,000 tons by the end of this year from 5,500 hectares of sugar cane. The capital has been provided by mainly from French and German sources.

The Katiola project, financed by Belgium, Austria and other fractions of international capital, will begin production in 1979 at a capacity of 47,500 tons from 6,600 hectares of sugar cane. The factory will be managed by the Belgian company SOPEX, while the field and irrigation work will be undertaken by an Austrian company called Bauer.

The last project, the one at Zuenoula, with a capacity of 40,000 tons and exploiting a total area of 4,200 ha., will be managed by two Belgian companies : abr and SOCFINCO, and a Dutch company AVA ENCO. Its Capital is from Belgium, the Netherlands and other smaller fractions of international capital.

When all these projects are completed and they are in production, the total capital investment in them will amount to over 275 billion metropolitan francs. Of this, 190 billion will have been generated from outside. By next year, the Ivory Coast will begin exporting her sugar. Exports are expected to stand at 75,000 tons in 1980 and 180,000 tons by 1985.

This development will greatly affect the northern region which, up to now, has been disfavoured in the country's economic growth. It is expected that a total of 15,000 to 20,000 new jobs will be generated by the sugar industry alone. Of these 250 will be managerial or administrative positions, 1,000 supervisory positions, 4,000 skilled workers and 4,250 ordinary specialised work needing minimal training.

Certain economic analysts have observed that this rural industrialisation in the Ivory Coast, though heavily dependant on foreign capital, may provide the Ivory Coast with a base from which to build a self-centered capitalist economy. Thus a 1973 (November) *African Development* « Economic Survey of the Ivory Coast » notes :

*The textile industry is a good example of how once the principle of large scale, export orientation has been adopted, the process almost automatically leads to diversification and to integration of a large industrial sector. It also brings the Ivory Coast nearer the point and contributes to the self-sustaining growth process of the economy.*

The idea of a self-centered development, in a situation where the very structure of industrialisation seems to integrate the Ivorian economy more and more into the international capitalist system, is, of course, fraught with numerous problems. But it would seem probable to argue in its favour on the following lines. One, that it is quite clear that the Ivorian state seems to be playing fractions of international capital against each other. That, by calling in different « national capital » to invest into this or that industry, the state curves for itself a mediating role which may create avenues for Ivorianising the industrial capital much more easily when Ivorian industrialists come of age. This might, in fact, involve an alliance of the Ivorian industrial bourgeoisie or Ivorian state capitalism with various fractions of international capital.

But then the relationship must then be looked at as an *alliance* and not simply as a *dependency syndrome*. In spite of their ability to be fractionalised, we are here forced to look at the bourgeoisie as a *universal class* which can recruit its members even in the so-called « dependent countries ». Two, that the present Ivorian African bourgeoisie, with few roots in industrial capital, has no alternative but to seek alliance with foreign capital. In the immediate, this will mean technological dependance as the most advanced forms of technology must of necessity come from capitalist economies with the most advanced forces of production. If a developing economy is going to engage in production for exports, especially within an environment and a political set-up where competition with other exporters is acute, it cannot help adopt the most advanced forms of technology. If a country has big enough home market, then industrialising with backward forms of technology may be possible.

## CONCLUSION

It is possible that capitalist development, following a very different path from the English experience, may actually mature in Africa inspite of the present structures of dependence. The initiative that diverse fractions of the African bourgeoisie may take in this process will be varried, at times disappointing and frequently not very well formulated. But researchers must not forget to notice the concrete germs of these innitiatives whenever they occur, especially when propelled into history by the struggles that the subordinate classes wage against imperialism and all its local manifestations.

## REFERENCES

The bulk of the data, and most of the theoretical issues discussed, have been taken from my doctoral dissertation for the University of Chicago, Department of Political Science, December 1977 entitled « Articulation of Modes of Production : The Political Economy of Coffee Production in the Ivory Coast, 1943-1975 ». I have also relied on the Economic Surveys of the Ivory Coast done by *African Development*, particularly the following issues ; November 1973, August 1976, February 1975, *Le Monde*, 15-16 January 1978 also had a special economic review of the Ivory Coast which proved useful and up-to-date. For a good summary of the role of the state in the economic development of the Ivory Coast, see, especially, *L'Etat et le développement économique de la Côte d'Ivoire*, Bibliothèque Institut d'Etudes Politiques de Bordeaux, Centre d'Etudes d'Afrique Noire, Série *Afrique Noire* 6 (Paris : Editions A. Pedone, 1976).

## RÉSUMÉ

*Dans ce papier, l'auteur s'efforce de décrire et d'analyser le modèle de développement actuellement en vigueur en Côte d'Ivoire. Il s'agit du modèle de développement par voie de capitalisme périphérique dépendant. Après avoir situé sa naissance et son développement dans la perspective historique coloniale et décrit son évolution dans l'ère post-coloniale, l'auteur brosse rapidement le tableau de principales structures et activités économiques de la Côte d'Ivoire.*

*Celles-ci consistent dans l'agriculture de rapport (café principalement) assumée par les paysans, dont les produits sont achetés par les grandes entreprises multinationales françaises par l'intermédiaire de commerçants libano-syriens. Sur cette structure de base, héritée de la colonisation, l'Etat post-colonial, de concert avec le capital privé international, essaye de bâtir une économie plus diversifiée en investissant dans les secteurs nouveaux. Ce faisant, il consolide l'hégémonie du capital international sur la bourgeoisie agraire et commerçante nationale naissante dont il est précisément l'instrument politique et juridique et dont il reçoit sa légitimité et sa stabilité. A cette bourgeoisie nationale s'opposent, objectivement, les producteurs, les travailleurs et les chômeurs ruraux ; les travailleurs et les chômeurs urbains.*

*Il analyse également la dynamique de fractions, groupes et classes sociales face au degré de leur insertion dans le système, le rôle qu'ils y jouent et leur accès aux infrastructures et ressources disponibles pour leur développement. Il conclut en notant que la voie capitaliste de développement peut bien réussir en Afrique, en dépit de structures actuelles de dépendance. Il importe, pense-t-il, de déceler les éléments prometteurs dans les initiatives que prennent les diverses fractions de bourgeoisies africaines.*