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South African multinational corporations, NEPAD and competing regional claims on Post-Apartheid Southern Africa

Introduction

With democratic elections in South Africa in 1994, South Africa has been poised for leadership of a new *African Renaissance*. The political responsibility attached to democratisation was that South Africa would be a leading force for the economic revitalisation of the entire continent. Post-Apartheid South Africa represented an economic hope for Southern Africa and Africa, increasingly marginalised in the world economy. Discussions on the new South Africa's policies in the region expressed both optimism and concern. Many countries in Africa hoped that South Africa's economic strength as a semi-industrialised country would generate benefits for the continent as a whole. These views rested on a number of suppositions. First, that political democracy would enhance South Africa's economic position in the global economy. Second, that economic growth in South Africa would benefit the continent as a whole. Lastly, that South Africa would definitely have the option of fundamental socio-economic transformation if the ANC and the great leader Mandela took power (Adedeji, 1996).

Post-Apartheid Southern Africa is a *new regional space* opening up within Africa. South Africa's democratisation has opened up a new era for the Southern African region. As the region's economic powerhouse, South Africa has asserted its regional political leadership, immediately assuming a major role in the Southern African Development Community (SADC) and the African Union (AU), key institutions for regional economic and political collaboration. At the same time, South Africa's huge conglomerates are initiating a new round of investment that extends beyond their traditional sectors and trading partners into areas north of Sub-Saharan Africa, and that includes some of the largest direct foreign investment into the region. The international prestige attached to South Africa's transition has conferred a new respectability on the region's policies and projects. Most of all, the inspiring political struggle of the South African majority breathed fresh air across a continent tired with political degeneration, economic survivalism, ongoing ethnicised civil war and new social convulsions of AIDs and growing crime.

This paper analyses the territorial expansion of South African capital into Southern Africa in the post-Apartheid period, and the role of this capital in integrating the Southern African region. Critiquing the narrow conceptual frame-

work of regional integration, this paper attempts to foreground the role of multinational corporations as agents of regional integration. The paper first argues that regionalism entails social contestations over how capital accumulation proceeds in the region, both in terms of capital's material practices and its styles of representation. This approach draws on concepts developed in human geography that see physical space as socially contested. Regional integration perspectives focus on the role of states in making geographic regions cohere or fragment. Spatialised notions of geographic regions privilege a variety of social actors in regional formation. This paper thus contends that regions are implicated in a 'politics of scale', with different social classes making claims on the post-Apartheid region. The particular focus of this paper is the multinational corporation as the agent of regional capital accumulation. Capital accumulation in post-Apartheid Southern Africa is not a disembodied process of foreign direct investment represented in technical terms. These flows of capital have consequences for what regionalism is and how regional integration proceeds in post-Apartheid Southern Africa.

In the first section I discuss the global resurgence of regionalism and, building on the perspective of human geography, theorise regionalism as a spatial claim. In the second section I analyse the characteristics of the new investment flows from South Africa into Africa and Southern Africa. This section of the paper discusses the structural features of post-Apartheid South African investment in post-Apartheid South Africa and the centrality of South Africa in this expansion. The failure of independent nation-states in Africa to effectively challenge foreign economic domination failed and provided the basis for the current regionalist phase of multinational activity. The paper attempts a characterisation of the new investment from South Africa. The role of the South African state in supporting and initiating private investment is also discussed in this section. The third section of the paper discusses the representational or ideological dimensions of spatial claims and boundary-making, (or the 'ways of life' of South African capital), focusing on the '*African Renaissance*' and NEPAD. Notions of 'modernisation' underlie the new universal African claims of South African corporations and the programmatic initiative – NEPAD – that accompany these 'Africanist' claims. I argue that the '*African Renaissance*' and NEPAD (New Partnership for Economic Development) are ways of representing these spatial claims. The conclusion draws out these contradictions between programmatic initiatives and the material and representational practices of multinational corporations.

Global resurgence of regionalism

I fear Globalisation. The true future of the world is not Globalisation. The future of the world is regionalisation. With Frelimo we put all our faith in the nation-state. We have reached the end of the nation-state (Interview, Investment Advisor and ex-Frelimo Minister of Information, Maputo, August 1999).

A 'radical reawakening' is upon us again. Like an old man awakened from his slumber, regionalism has been dusted off and dressed up to come to the globalisation party. This old geographic lever, however, has to shift gear. The inward protectionist focus of earlier regionalisms has to give way to the 'port of entry' vision (Omae, 1995). The supranational region today is imagined as a global gateway – an entry-point – to the 'information highway'. Meanings attached to regionalism bear the mark of global power. What we imagine to be politically possible for regions reflects dominant discourses about globalisation. These dominant discourses prioritise the creation of regional havens for capital. Supra-national regions are envisaged as prisms for capturing capital by creating favourable conditions for investment. Such neo-liberal globalisation insists on regional blocs as a step up the Darwinian chain of competition. If a nation aligns itself with other countries, it has a better chance of being an economic winner, rather than a loser (Oman, C., 1994). Through regionalism it is hoped that global competitive advantages will be enhanced (Storper, 1997: 4). The geographic region has become a further strategy for global inclusion; an additional lever in the quest for global competitiveness.

There are a number of reasons why regionalism has again assumed greater importance in the 1990s. The disruption of Cold War political geometries by the 1990s has changed global political fault-lines, opening up a new moment for political realignments. Global capital accumulation entered a phase of 'fast capitalism', leaving Africa in a 'redlined' situation, written out of these swift circulations of financial capital. The final crumbling of 'Third Worldism' in less developed countries and political democratisation also contributed to the shifting global geographies of power. Regionalism has thus emerged in the 1990s as one response to what Arrighi and Silver (2000) characterise as a global counter-revolution unleashed with the crisis of the US hegemon. The global shifts, they argue, are related to the US's declining ability to stabilise global power relations. In this fluid global context, regionalism has been delineated as a key nexus of power, with some claiming that these shifting global geometries are creating a 'regional world' (Storper, 1997; Mattli, 1997; Le Clair, 1997; Omae, 1995; Axline, 1994).

The turn to regionalism has coincided with a shift away from the developmental state. Global systemic-wide challenges have been discredited by the Soviet experience, the collapse of the Soviet Union (Kagarlitsky, 1999) and the failures of Third World national liberation movements. The idea of state-led development has declined as the nation-state has been jettisoned as a channel for popular aspirations. If nation-states have become less effective as a lever for popular demands, other levels of power take on greater strategic significance. The undermining of the state's developmental role and shifting global power allegiances opens up a space between the nation-state and global structures, namely, that of the regional power-bloc.

The crisis of the nation-state and global claims has created the opening for different scales of power to gain in importance. The squeezing out of the nation-state relocates the levels at which power is expressed.

Combined with the internalization of world-scale processes of production and exchange within the organizational domains of transnational corporations and with the resurgence of suprastatal world financial markets, these unprecedented restrictions and expectations have translated into strong pressures to relocate the authority of nation-states both upward and downward (Arrighi, 1994: 330).

As global and national claim-making have been delegitimised, regional economic formations such as the European Union, NAFTA (North American Free Trade Agreement) and GATT (General Agreement on Trade and Tariffs) have been one response to this crisis. Swyngedouw (2000), echoing Arrighi's argument, terms these processes of regional regulation the 'upscaling of governance'. Storper (1997) goes further and argues that territorial development today is creating a 'regional world'. While Storper's attempts to characterise regionalism as the dominant world order are less convincing, what is relevant is that regionalism has been one response to a global counter-revolution. Through regionalism countries hope that national competitive advantages will be enhanced (Storper, 1997: 4).

But these rescaling processes are not benign. Regionalism is not rhetoric only but also a coercive reality, embodying new power relations and new forms of political sanction.

The double rearticulation of political scales (downward to the regional or local level; upward to the EU, NAFTA, GATT, etc; and outward to private capital) leads to political exclusion, a narrowing of democratic control, and, consequently, a redefinition (or rather a limitation) of citizenship rights and power (Swyngedouw, 2000: 70).

Systems of regional regulation 'imply mechanisms of inclusion and exclusion' that disempower some while empowering others (*ibid.*). Swyngedouw shows the coercive material effects of social regulation at the regional scale in the case of the European Union. The breakdown of national welfare systems has been the hallmark of the global neo-liberal counter-revolution. The European Union has been an agent of such deregulation (Swyngedouw, 2000).¹ Regional regulation thus becomes the means to deregulate and privatise and to cheapen wage labour and lower environmental standards in a number of national economic systems in one sweep.

While regions have had different hegemonic and counter-hegemonic meanings over time and space, Eurocentric concerns of regional integration in the European Union have cast a long shadow over perceptions of a new regional order today.² Looking over their shoulders at the consolidation of regional power-blocs in the global order, less developed countries are scrambling to form or revive regional institutions such as SADC and MERCOSUR, or to seek accommodation within dominant regional arrangements such as the European

Community. Regionalism has become a catchword for nation-states who act as chief executives of capital. These states are intervening with large amounts of money to subsidise all new private capital projects, they are opening up new sites of investment through privatisation; they are cutting loose protectionist exchange controls over national currencies and industrial sectors. The advice of the Frelimo ex-Minister of Information turned Investment Advisor to turn to the region (quoted in the opening section) echoes this disenchantment with the political capacity of the nation-state and the global turn towards regionalism as a geographic lever in global competition.

Regions as 'spaces of rights' and 'spaces of claims'

The next section of the paper critiques the statist emphasis of regional integration, advancing an alternative conceptual framework for regionalist analyses. The argument is that geographic spaces embody dynamic social relations that are contested by a variety of social agents. This argument tries to establish the premises for an enhanced role for South African multinational corporations in our understanding of regional integration. This section begins with a discussion of Lefebvre's 'production of spaces' by Niemann (2001), who characterises the region as a 'space of rights'. This is a revised emphasis on the social rather than statist dimensions of regionalism. This revision is further elaborated through the argument that the region is a 'space of claims', a conceptual approach that I advance as a framework for understanding the competing social agents that make and bound the geographic space of the region. These formulations insist that geographic spaces are social in nature and are formed through political contestations by competing social classes and agents. While nation-states are key actors in these social contestations regional formation and regional integration are by no means reducible to the actions of nation-states.

Challenging the 'International Relations' perspective that underlies Regional Integration approaches, Niemann (2001) argues that supra-national regions are spaces that embody more than physical distances to be overcome. Space is a contested terrain in the manufacture of consent. In a novel application of Lefebvre, Niemann utilises spatial representation to understand Southern Africa regionalism. In so doing, he seeks to free Southern African regionalist analyses of the Eurocentric precepts of regional integration theory. Conceptualising regions as socio-spatial entities can transcend the static, statist assumptions of traditional International Relations (IR), he argues 'It is my purpose in this chapter to challenge this discourse and, instead call for a radically open dialogue about regionalization and the meaning of regions with a specific focus on Southern Africa' (Niemann, 2001: 59).

Appraising the resurgence of regionalism since the late 1980s, Niemann argues that the basic assumption in IR of the individual state as primary actor in creating regional or multilateral entities, continues to prevail. In these approaches, the state is crudely likened to an aggressive, power-lusting indi-

vidual. This Hobbesian notion is then extended to explain relationships between states. The 'rugged individual' notion of the state omits the way in which states depend on each other and develop in relation to each other.³

The consequence of state-centred analysis for regions is three-fold, argues Niemann (*ibid.*). It marginalises other non-state actors and gives the state a monopoly on relations between countries. It places emphasis on the state's role in shaping conflict or making contracts and it focuses on how states are integrated by means of free trade areas, customs unions and policy coordination. This analysis of the state excludes the spatial dimension of power relations.

Applying his revision of International Relations theory, Niemann (2001:67-72) provides a historical account of the production of spaces in Southern Africa since the 1800s and shows how a perception of the region as a coherent entity emerges through particular spatial practices. Out of a physical landmass at the southern tip of the African continent, a notion of a coherent geographic entity, a social space,⁴ emerges over time that is intimately tied into the contests for economic control. Race formed one crucial demarcation in representational spaces of the region, with a corresponding set of segregated spaces of representation.

Spaces were identified by the skin colour of those who were permitted to live through them. It was possible to read off the body of an individual whether or not that individual was in the proper space and the pass laws in South Africa, the housing of labour in hostels and compounds adjacent to mines and, later, manufacturing facilities all reflected this racialization of space in southern Africa (Niemann, 2001:74).

The bounded national entities that dominate the regional space are contradicted by the spatial flows of commodities, people and labour that create mutual dependency amongst the different societies within Southern Africa. There is a porosity in the borders of the region's countries that overflows the boundaries of nation-states and creates a societal level of interaction. In this sense, the region is also a 'counterspace' to inter-state relations.⁵

We can therefore imagine regions not only as spatial constructs which facilitate the exploitation of the subcontinent; we can also imagine them as counter-spaces, as sites of resistance to such processes. One such imagination is to think of *regions as spaces of rights* (my italics) rather than spaces of flows or spaces of places... A region so conceptualized constitutes an integrated space not because of trade flows or institutional apparatuses but because its inhabitants share a commitment to struggle for the same enforceable protections against abuses be they committed by states or corporations... To conceive of regions as spaces of rights represents a direct challenge to the hegemonic consensus of liberalism. Such efforts transcend the traditional spatial organization by insisting that rights of persons be recognized outside and independent of the national state. They reject the position of the state as the sole arbiter of the rights of 'its' citizens and therefore create new spaces of reference (Niemann, *ibid.*:75).

Contesting rights has a regional dimension that is shaped by the way space is produced and represented in the region. This entails a social process that is much wider than the purview of state foreign policy or regional practices.

Niemann's discussion thus prises open narrow interpretations of regionalism to 'make space' for social actors beyond their position as national citizens.

While Niemann's revision represents a critical widening of the debate on regionalism, understanding the region as a 'space of rights' both opens up and closes down different possibilities for understanding regionalism. On the one hand, it opens up regions as social spaces that may be contested. The role of civil society as a competing regional agent and a central force for alternative regionalisms is illuminated in his discussion. Hidden dimensions of regional working class formation and the racialised contours of Southern Africa that evolve out of its systems of wage labour are elaborated historically. On the other hand, he locates this discussion back within liberal theory and the framework of 'rights'. This political emphasis keeps the social dimensions of regional identities and perceptions opaque. The relational processes that shape regional integration still require elucidation. Seeing regions as 'spaces of rights' ignores the spatial and scalar problems that regionalisation poses for regional identities against particularistic identities. Xenophobia, for example, may be analysed as a desperate clinging to place and locality in the face of destabilising regional and global forces. Such particularistic or place-bound identities contrast with and oppose the regional and Pan-African universal claims of the *African Renaissance* project. Attachments to place and localities or sub-regional identities can become stronger as spatial barriers crumble and local areas are subjected to global forces in a more direct way. While global forces seem out of reach and more difficult to control, communities attach more vociferously to local places (Harvey, 1996). Extending the discussion of 'rights' to the spatial claims of different social classes allows for a more expansive discussion of regionalism in Southern Africa.

To expand Niemann's discussion, I represent the region as a 'space of claims'. In this paper I develop the discussion on the politics of scale in relation to social claims on the region.

Regions as 'spaces of claims'

I would like to build on the direction taken in Niemann by exploring the concepts of social scale and geometries of power. Scales are a basic way of differentiating human activity from the local scale such as the household, the workplace, the city, the globe. In daily, lived experience, multiple scales exist simultaneously: '...scale is a set of abstractions through which we make sense of social processes making and remaking these material landscapes' (Smith in Jonas, 1994).

Geographic spaces are produced by abstractions that form these entities into a particular scale – global, national, regional or local. Scale is also political, a way of 'fixing power' within institutions.

Scale distils emancipatory and oppressive possibilities of space and provides a distilled expression of spatial ideologies, racism, xenophobia... The representation of scale lies at the centre of spatialised politics (Smith, 1990:173).

Limited by a specific geographic scale or level of accumulation such as the nation-state, a rescaling process ensues at the local, sub-national, multilateral regional or global scale, for example. Spatial representations and material practices exist in a dialectical relationship (Smith, 1990; Lefebvre, 1996; Harvey, 1996).

The social relations of capitalism invariably take on a geographical expression... What is often less clear is the precise way in which spatial form is related to social forces (Wolch, 1989:5).

In the same way that globalisation is a 'societal construct' (Keet, 1999), regionalism and the formation of regions is a social process, entailing institutional power, a shared geographic identity, regional labour markets and always relentlessly driven by capitalist accumulation and framed by the power and command of money. Who is to be integrated, how and on what basis is not simply a question of contractual regional arrangements but a question of the spatial 'geometries of power' (Massey, 1992). Shifting power geometries and their spatial representations are underpinned by the spaces of production and reproduction. Capital's constant reterritorialisation and expansion is driven by overaccumulation (Harvey, 1999), and these internal contradictions have geographic consequences.

Multilateral agreements are not simply an arithmetic agglomeration of inter-state arrangements. If South Africa is the dominant power in the region, then any regional integration arrangement will reflect this unevenness. Powers of inclusion, exclusion and disciplinary power will cohere in any formal regional arrangement, irrespective of how egalitarian the terms of such an agreement might be. Power relations are also spatialised. Massey analyses these sociospatial power struggles as shifting geometries of power (*ibid*:144). What is significant in these discussions is the way that capital's constant reterritorialisation and expansion has social and political consequences. Space is produced through the constant 'reworking of the geographies of capital circulation and accumulation' (Swyngedouw, 2000). These changes in the spatial configurations are accompanied by changes in the scales of governance. A group of nation-states, sometimes geographically contiguous but not always, combines to form a particular geometry of power.

Regionalism invokes a claim over a bounded geographic space that is also a social space. Hegemonic class forces in the region present their claim to the regional social space as in the general interest. Bounding the region as a group of historically and economically tied countries that should act together for a particular economic strategy produces a spatially determined power structure that demarcates the region. As social power relations reconfigure, these

changes produce new meanings about a specific geographic scale, marginalising some while thrusting others into centre stage.

Most importantly, however, these scale redefinitions alter and express changes in the geometry of social power by strengthening the power and control of some while disempowering others (Swyngedouw, in Cox, 1997:142).

Workers in Southern Africa, for example, are devalued socially as a regional 'cost' rather than a regional 'benefit', while those engaged in regional trade and investment are eminently respectable regional agents (Mhone, 1997). Forums for discussing future regional arrangements will thus reflect the social dominance of the regional 'insiders'.

What is significant here is not that social inclusion and exclusion processes happen, but that these processes take spatial forms and have spatial consequences. A new meaning is given to a particular social scale – the nation, the region, the global system – in line with shifts in power relations. Regions, then, are more than physical demarcations. They entail a social claim to a geographic space between the scale of the nation-state and the global system. Against the Euclidian notion of 'space-as-container' or space as fixed, regions are dynamic entities, not just static groups of contiguous states. Social space according to Lefebvre's conceptual 'triad' is constituted by 'the perceived, the conceived, and the lived' (Lefebvre, 1991: 39).

The foreign investment of South African companies in post-Apartheid Southern Africa can be understood as a claim on the region. Capital's ability to command power over space and social relations is a central dimension in the way that the region is integrated, how regional power is accumulated and which regional forces are marginalised. Geographic claims have important consequences for the way that the boundaries of social inclusion or exclusion are drawn. The paper now turns to the regional role of South African multinationals.

Post-Apartheid Regionalism and New South African Investment in Southern Africa

South African-based or South African multinational corporations have played a central role in constituting Southern Africa as a regional entity. Much of this capital flowed through or from South Africa, allowing part of the regional surplus to fuel South Africa's economic development. Regional development has in many instances implied South African development in the region's past. The regional omnipresence of South Africa as well as the integrating role of its multinational corporations is an important feature of post-Apartheid Southern Africa.

South Africa's ability to command capital and labour flows in the region through these powerful multinational corporations accelerated South Africa's economic growth, creating tremendous regional unevenness. South African

capital has established a strong claim to the regional space of Southern Africa, both in the present and in the past. The historical geography of capital accumulation in Southern Africa has placed South African capital, through its multinational corporations, at the center of these accumulation processes. Currently comprising 14 countries⁶ that are members of SADC (Southern African Development Community), Southern Africa is dominated by South Africa, the region's economic sub-hegemonic power. Sometimes referred to as 'enclave economies' or economic islands (Martin and O'Meara, 1995; Seidman and Makgetla, 1980), capital accumulation develops the most profitable sectors of the economy to the detriment of other sectors, creating uneven capital flows. South Africa has been the chief beneficiary within the Southern African region of unevenness in regional flows of capital accumulation, comprising \$130bn of the ten main countries \$160bn in 1998 output.

Global accumulation processes centred on South Africa shaped the boundaries of the region.

The concept of Southern Africa as a coherent geopolitical entity can be traced back to the first 'Scramble for Africa'. As cycles of world hegemony have evolved, Africa has been the site of renewed scrambles and reterritorialisation of capital. South Africa's regional domination goes back to the phases of early mining and finance accumulation under colonial expansion. The initial expansion that centered on South Africa, Zimbabwe and Zambia occupied a central place within this new formation. Combining with these territorial expansions were also the imperialist expansion of the capitalist type (Harvey, 2003:33-36), entailing large investments in rail and road networks. This phase of Southern African accumulation coincided with the period of the Great Depression, initiating a new phase of capital's reterritorialisation in Africa. (Vieira, Wallerstein and Martin, 1992)

This phase (1873-1920) saw the British consolidate political control over the areas of mineral wealth in Southern Africa and form political boundaries that endure today. The capital for this investment came from the global hegemon of the time, Britain. Gold mining in Southern Rhodesia (Zimbabwe) and Johannesburg Reef (South Africa), copper mining in Northern Rhodesia (Zambia), and Kimberly diamond mining absorbed capital surpluses from London financial and commercial corporations and commodity surpluses of British manufacturers. Despite this regional economic integration through the London- and South African-based capital, political divisions inscribed regional fault-lines. White settler regimes in South Africa, Rhodesia and Mozambique were isolated internationally in the period during the two World Wars and after World War II, bequeathing to the region a racially divided historical geography.

Africa had a very different approach to the global political order in the post-colonial period beginning with the 1950s, as compared with the present. The politics of national liberation influenced these global orientations in

Africa. Post-independence states looked to political allies in Africa for political and economic co-operation. Some of these political alliances were based on greater independence from dominant imperialist regions such as Europe and North America. The radical critique that influenced African political leaders at the time drew on the dependency theorists in Latin America. They argued that Africa, Latin America and other Third World countries were in a relationship of dependency with the global economy. The idea that modernisation awaited Africa with time and steady economic development was fundamentally flawed, they argued. Instead, the parasitic relationship of the First World to the Third World would see wealthy nations become richer as they siphoned surpluses out of Africa.

Third World national liberation movements, inspired by the radical critiques of the dependency theorists, declared a New International Economic Order (NIEO) aimed at breaking this cycle of dependency. Africa's economic growth relied on the export of primary minerals like gold, diamonds, copper, and agricultural produce like coffee and tobacco. As the global prices of these commodities fell, this impulsion to break the economic domination of the First World grew. Ideas of developing the intra-African export markets and 'delinking' from the dominant 'North' animated these post-colonial Africanist programmes. The NIEO perspective inspired many Africanist programmes in the 1960s and 1970s. 'Collective self-reliance' was a strong principle in the programmatic perspectives for Africa at that time. One example was the Lagos Plan of Action, adopted by the Organisation of African Unity (OAU) in 1980 and proposed by the UN Economic Commission for Africa (ECA).

Throughout this period of national self-determination in some parts of Southern Africa, multinationals continued to use Apartheid South Africa as a base for their investment activities in Southern Africa. Some of the capital surpluses that flowed through South Africa during this period were trapped in South Africa, partly through the protectionist policies of the Apartheid state, allowing South Africa's economy to expand faster than other countries in the region. In the 1960s and early 1970s, there was a new scramble in Africa, this time led by the TNCs who sought new sites of investment for overaccumulated capital. As countries became politically independent, South Africa was a stable launching-pad for investment into the region (Seidman, 1980:45). Protected by Apartheid, global multinationals formed joint ventures with South African companies. In the 1960s, eight of South Africa's top eighteen industrial companies had major ties with transnational firms (Seidman, *ibid.*). Regional economic integration proceeded despite these political barriers. While political geometries demarcated the region into white settler states, on the one hand, and Frontline (independent) black states on the other, the territorial independence of African nation-states after their national liberation struggles interrupted but did not halt continued capitalist expansion. Nationalisation operated unevenly

in economies that allowed multinational investment often via and from South Africa.

At the same time as the incumbent President Thabo Mbeki declared his *African Renaissance* in the 1990s, many Southern African countries embraced economic liberalisation and privatisation more actively than their 1980s efforts, putting state enterprises up for sale to mainly private, foreign investors. Their economic opening converged with restless South African capital. South African companies seized the political opening and went upstream, opening up new hotels, buying up old mines, transforming old breweries, and building new shopping malls with supermarkets and clothing stores. The new post-Apartheid region coincided with a global turn towards regionalism.

Although South African MNCs have invested in Africa since the scramble for Africa in the second half of the 1800s, investment in the last decade displays a number of new features: First, new foreign direct investment in Africa has South Africa as a primary source, in particular the dominant South African multinationals. Much of Africa's new FDI comes from *within the continent*, a crucial aspect of African development in the 1990s and something that has a critical bearing on the continent's development strategy. (A number of these new investments are tied into a multinational holding company listed on the Johannesburg Stock Exchange.⁷) Economic surveys show that South Africa now accounts for 43 percent of Africa's \$1.3bn FDI outflows in 2000, making it the largest source of FDI in the continent and overtaking Germany, the US and Japan, Africa's traditional key trading partners (*Business Map*, 2000; *Business Map*, 2001; Ahwireng-Obeng and McGowan, 1998; Nel and McGowan, 1999). From Table 1 we can see that South Africa is the most active investor in the region in terms of the number of deals concluded, hence its high visibility in the host countries. SA accounts for 40.7 percent of the number of new investments, followed by the USA and the UK.

Table 1 (Appendix) shows that South Africa's total investment in the SADC region has increased from 11.18 percent to almost 40 percent in the course of three years, a massive increase of 29 percent. While the proportion of South African investment in Lesotho is part of South Africa's traditional relationship with its SACU partners, it is noteworthy how much new FDI in Angola (76.9 percent), Mozambique (28.8 percent), Tanzania (99.58 percent) and Zambia (58.1 percent) was sourced from South Africa in this three year period (1996-1998).

Investment also extends beyond the traditional trading partners of South Africa in the region. The countries in the South African Customs Union (SACU) – Botswana, Lesotho, Namibia and Swaziland – and other countries in Southern Africa were the key trading partners for South Africa. New investment extends as far north as Egypt and Morocco, finishing Rhodes's incomplete Cape to Cairo trail. This increasing command over space in Africa

reinforces South Africa's position in Southern Africa, bolstering its regional hegemony as South African multinationals expand their monopolistic reach.

Although a number of the new South African investments are within the new services sector, traditional sectors like mining continue to be an important aspect of investment, often accounting for the largest investments in money terms. This continued prevalence of mining and a limited degree of manufacturing investments show the continued reliance of African countries on primary exports. New sectors in which a significant portion of this investment has taken place are banking, retail, tourism and mining. In retail there are companies like Engen, Woolworths, Kwikserve, Profurn, JD Group and Shoprite. During Apartheid, Anglo, De Beers and Rembrandt still traded and invested in Africa. But there has been a new surge of direct investment (Miller, 2003; Daniel, J., Naidoo, V. and Naidu, S., 2003). Most big South African companies have initiated new expansion plans into other parts of Africa. SAB has bought up major shares in the national breweries of Tanzania, Zambia and Mozambique (and are already in Botswana, Lesotho and Swaziland). Shoprite Checkers (Pepkor subsidiary) has 18 stores in 11 African countries outside of South Africa and has opened up shopping centres in 10 of these countries. Some of the new investments are also very large (IDC \$600m in Mozambique; Gencor \$500m in Mozambique). South Africa's regional expansion has both continuities with the past (some interrupted as in the case of Anglo American in Zambia) and new articulations with host economies.

Shoprite Checkers (Pepkor subsidiary) has 18 stores in 11 African countries outside of South Africa and has opened up shopping centres in 10 of these countries. Retail sector investment are visible adding a fresh dynamic to urban capital accumulation and consumption processes. In the services sector, hotels, petrol service stations, car hire services, shopping malls, clothing stores and fast food outlets have expanded consumer choices dramatically. A pattern in this new retail investment is the opening up of new shopping malls with a supermarket as an anchor store. These shopping malls make a dramatic change to the local consumption and urban environments. The Shoprite group has spearheaded this kind of development in 11 (one in five) African countries. Shoprite forms a joint consortium with a local minority shareholder. The consortium owns the new shopping mall. Other companies, primarily South African, rent retail space in these stores, from which a significant proportion of Shoprite's profits derive. A characteristic cluster of stores is Hi-Fi Corporation (belonging to the ProFurn group), Truworhs, First National Bank, Game Discount stores, Edgars and the fast food stores like Debonairs and Steers.

While this paper does not examine patterns of retail accumulation, one question that arises is what the consumption markets for these new retail outlets are, given contracting African economies. While little is documented on retailing and consumption in Southern Africa, interviews with key respondents in Mozambique and Zambia (Interviews with Shoprite managers, government

trade representatives, media analysts and trade unionists, August 2003) helped to shed light on local consumer markets. Internal consumer markets are highly heterogeneous. Despite high levels of general poverty, internal elites have significant savings and consumption capacity, sometimes generated by earnings in foreign currency (dollars, rands). Local expatriates, government elites and middle class professionals are significant customers for the new supermarkets. Some of these markets have local peculiarities. For example, Angolan diplomats and international community workers cross the border for olive oils, bakery items and other specialist items at the rural supermarket in Solwezi in Zambia, a market that Shoprite's management have learnt to cater for in this branch. Trade unionists also argued that there was pent-up demand that had no outlet while the retail and services sectors were run by poorly stocked, state-owned enterprises. People had money, they report, but had to go to South Africa to buy commodities that they now can find inside Zambia at South African companies.

Tourism is also one new area of demand that explains the shifting patterns of consumption in many African countries. The prevalence of tourism in recent economic activity demonstrates the nature of Africa's economic growth sites. Foreign and South African tourists are propelling a highly skewed economic development that caters for the activities and consumption activities of leisure classes while local development is neglected. Middle class consumers in Mozambique may shop at the same South African store in the capital, Maputo, or in the Johannesburg border town of Nelspruit.⁸ Working class consumers have made use of Shoprite's promotional activities to buy basic consumer items (fish oil, eggs, washing powder, rice, bread, milk) although these appear to be less now as the company is more established and tax breaks for the company's first five years in both countries are over. The informal market sources some of its goods from Shoprite in Zambia, hence the conversion of one store in Lusaka into a primarily wholesale store, catering for small shop owners from rural areas as one of their key markets. In rural areas where Shoprite has outlets, informal traders buy from Shoprite and resell to local consumers, sometimes just outside of the company's premises.⁹ In the Copperbelt, Anglo American's pull-out in 2002 led to smaller businesses going under and Shoprite's capture of local market share that had previously gone to these competitors. While it may be more efficient in some ways if Shoprite adopted a style of wholesale stores rather than shopping mall supermarkets, Shoprite is wedded to its brand image and the new consumer environment that this brand creates in less developed African locales outside of South Africa.

This expanded African market is absorbing surplus capital in South Africa, surplus labour in the host countries, and commodity surpluses from South Africa, expanding the manufacture of goods inside South Africa. South African companies are benefiting from regional economies of scale, rather than just national economies of scale. This is a step in their global expansion. They

have said that they want to use Africa as a way of strengthening their position in the global market, and this is exactly what is happening: Africa is a 'spatial fix' (Harvey, 1999) for South African companies. With falling rates of profit in South Africa, they can increase their turnover and profit rates in Southern Africa and beyond by drawing African consumers into their market. Regional distribution chains centralised in South Africa also expand the number of outlets supplied by South Africa.

New South African investment takes place in the context of an ongoing decline in growth and investment in Africa which has been called the 'global redlining' of Africa. The continent is increasingly marginalised and disconnected from the global economy. John Saul (2002), commenting on our quasi-capitalist condition, points out that in Africa we have only three percent of the world's trade, one percent of its GDP and one fiftieth of the income per person in the OECD countries. While other regions such as East Asia have enjoyed periods of boom since the global crisis of the 1980s, Africa's overall decline has been constant (Arrighi, 2002). This parlous contribution to global economic growth stands in stark contrast to our continent's natural wealth. Despite colonialism's capitalist penetration of Africa, most of the continent has household-based agrarian economies. Many economies continue to rely on cash-crops and primary minerals for export, rather than the informational networks that characterise late-capitalism in many other parts of the world. As advanced capitalist countries found new products that supplanted primary minerals, demand for Africa's natural products declined by about two percent per year (African Development Report, ADB, pp. 33 and 47-48).

... the result is relegation to the margins of the global economy, with no visible prospect for continental development along capitalist lines... It simply means that Africa's development, and the dynamics of global capitalism, are no longer convergent, if they ever were (Saul and Leys, 1999:6).

The decline in external foreign investment enhances the importance of South African investment in Africa.

Critics of the 'new scramble' point out that, at the same time that this new investment was taking place, there were massive pull-outs by companies. A more recent example was Anglo's pull-out from Zambia's Copperbelt, involving around 10,000 jobs. Zimbabwe's textile industry was gutted. Also, in money terms, the size of the investments was relatively small. Critics also pointed to the potential 'recolonisation of Africa' that this new wave of post-Apartheid investment represents. Others argued that massive retrenchments, the closure of large mines and factories and continuing regional inequalities negate any positive effects of this investment (Bond, 1999; Saul, 1993; Keet, 1999).

Notwithstanding these valid criticisms, this new investment is politically and socially significant despite the relatively insignificant amounts by global standards (Adebayo, 1996; Miller, 2000; Miller, 2002; Lodge, 1999). Against

this overall decline, there are sites of 'lumpy capitalism' (Cooper, 2001) where dynamism and change prevail over stagnation. The new South African investment extends geographically beyond South Africa's traditional trading partners in the region (Davies, 1996). Viewed from a macro-economic perspective, flows of capital from South Africa into the rest of the continent are not enough to reverse the 'redlining' of the region. From below, however, from the perspective of African citizens, these spurts of new South African investment bring dynamic new developments, but they carry with them uneven capitalist development's contradictions of dynamism and destruction.

Private investment by multinational corporations is not the only material claim on regional space in Southern Africa. The South African state is also implicated in regional investment through a strategy of public-private partnerships. The South African government has articulated its investment objectives in Southern Africa through 'Spatial Development Initiatives' (SDIs), of which the Maputo Development Corridor is a leading example. South Africa's Department of Trade and Industry (DTI) has taken practical responsibility for a regional economic restructuring that has a neo-liberal export-oriented perspective. Behind the DTI strategy is faith that the SDIs will create development along 'corridors' that link key nodes of accumulation (especially Johannesburg-Maputo) with features of 'Export Processing Zones' (EPZs). The DTI project seeks to identify potential port/rail/EPZ complexes in an underdeveloped target area that could attract investors and promote local business. These initiatives would target infrastructure investments as a key component of public-private partnerships. The partnership would entail significant outlays of public funds by the state joining up with private investors.¹⁰

Regional institutional mechanisms are being marshaled to give effect to this regional strategy. The prevailing official consensus around the SDI strategy demonstrates the neo-liberal regionalism envisaged amongst Southern African policy-makers. The aim is that such a regional strategy will be achieved through institutional frameworks such as SACU (Southern African Customs Union) and SADC (Southern African Development Community), structures increasingly involved in the organisation of free-trade deals in Southern Africa under the strategies of regional integration, cooperation and harmonisation. As early as 1989, SADC committed the region to becoming a free-trade area, but progress has been slow. Aside from SADC, other parallel and occasionally competing institutional arrangements for the region include the Common Market of Eastern and Southern Africa, the South African Customs Union (a long-standing free trade deal between South Africa, Lesotho, Botswana, Swaziland and Namibia) and the Common Monetary Union. WTO membership will open up other regional and bilateral relationships. All such bilateral and multilateral deals are premised upon export-orientation, not inward industrialisation, and upon increasingly 'flexible' and 'competitive' labour markets (Bond, et al, 2001).

One of the frameworks for national development in Mozambique is the Maputo Corridor, a public-private initiative for development (Pareja and Pretorius, 2000). As mentioned earlier, the Maputo Corridor is one of a host of 'Spatial Development Initiatives' launched by the South African government. Consisting of industrial and construction enterprises clustered around the N4 road that stretches from Johannesburg directly to the port of Maputo, the Maputo Corridor was jointly launched two years ago by the Presidents of Mozambique and South Africa.¹¹ Regionalism is the catch-word for nation-states which act as chief executives of capital, intervening with large amounts of money to subsidise all new private capital projects, opening up new sites of investment through privatisation and dangerously cutting loose protectionist exchange controls over the national currency.

'African Renaissance' and NEPAD as competing regional claims

When workers make their claims on the Southern African region, they are not the only ones doing so. Alongside the material claims of South African capital, a host of other regional programmes and initiatives may be understood as competing regional claims. Emanating from both the state and South African capital, these ideological and programmatic initiatives reside within the hegemonic power blocs of state and capital. I hence characterise these competing regional claims as hegemonic regional claims that compete with the counter-hegemonic claims of workers. South African investment in the 1990s takes place against the ideological backdrop of the *African Renaissance*, which has a bearing on the strategies of South African multinational corporations.

The geographic claim of South African capital is not taking place in a political vacuum. From within South Africa, the state has also laid a claim to the African continent through both an economic programme, articulated in the 'New Partnership for Africa's Development' (NEPAD), and a mobilising ideology, the *African Renaissance*. To understand the relationship between the African claims of the South African state and that of South African capital, we need to do a brief overview of NEPAD and the *African Renaissance*.

Lodge (2002) highlights two political axes in the *African Renaissance*: the first is modernity, the second is the African heritage (pp 228-230). A strong technological determinism underpins the first idea of modernity (Bond, 2002). Heritage, culture and Africanness are the cluster of ideas that forms the second axis of the *African Renaissance* ideology and rhetoric. These concepts draw on the notion of a unique African democracy that endures in African societies today from pre-colonial social formations in Africa. The term *ubuntu* has been coined to connote these communal underpinnings of society. Shared values rather than individual strivings, co-operative systems rather than hierarchical institutions, and, of paramount importance, the principle of humanness in social interactions. The embrace of tradition is propagated as a bulwark against

modernity's powerful 'Western' impulsions towards impersonal interactions motivated by pecuniary gain.

The interesting tension residing within the *African Renaissance* ideology is its contrasting notions of development, what may be called a *modernity-ubuntu dichotomy or binary*. Modernity is forward-looking while African identity is backward-looking. African identity looks backward towards tradition and retention of the past. Modernity, powered by progress and enlightenment ideas, pushes forward, on the other hand. In the context of post-colonial Africa, racial meanings attach to these binaries. Modernity and 'whiteness' go together, while African traditionalism and 'blackness' are reciprocal. This geographic claim to Africa thus brings together different spatio-temporal moments, different moments in time and geographic space, creating an opening for contrasting and potentially conflicting appropriations. We will return to this point later in the argument. The tension between modernity and Africanism underpins this 'new, pragmatic Africanism.' This fusion of old and new is meant to foster a dynamic form of African development, where modernising capitalist development is infused with traditional, humanistic values, thereby leading to a more humane kind of capitalist growth.

These new ways of thinking about African identity have unintended consequences, and the self-representation of South African capital as 'economic bearers of the *African Renaissance*' is one such unanticipated meaning. 'To fit in with the change of events, words, too, had to change their usual meanings'. (Thucydides, *History of the Peloponnesian War* in Schoenberger, 1997:211).

New language creates new ways of doing things. President Mbeki has declared the era of an *African Renaissance*, of economic and political renewal that will uplift Africa's peoples. In line with the new ways of doing things, South African capital has mutated and grown another head – an African one. South African firms claim that their investment in post-Apartheid Southern Africa is part of the *African Renaissance*. Through their actions they purport to promote a shared, non-racial, democratic value system, (termed 'Ubuntu' in South Africa) and a set of universals that apply to Africans – as consumers, people and workers.

The companies who were engaged in the 'new scramble' in Africa were quick to see the political opportunities of the *African Renaissance*. Whereas in the past they were not welcome in other parts of Africa because of their association with the Apartheid regime, white-led South African business could now take their search for profitable investment into the continent. This expedition could now be cloaked as an economic renaissance, for which they were quick to re-invent their African roots. A recent survey on NEPAD and the perceptions of top CEOs at major South African corporations makes this link between the African expansion of companies and South Africa's 'renaissance' ambitions (*Business Day*, 1/10/02).

In post-Apartheid South Africa, South African business has discovered its African roots. African identity and *ubuntu* pervade the post-Apartheid language of these mainly white male businessmen and financiers. With this new identification South African capital is staking a claim to the *African Renaissance*. When Pepkor, one of the major South African investors in Africa, expands its African operations, it declares that it does this with the objective of Africa's revitalisation. South African capital today expands into the region with the political authority of a democratic government. Investment is no longer coming into the region from a pariah state. The political responsibility attached to democratisation is that South Africa will be a leading force for the economic revitalisation of the whole continent. In short, one meaning attached to South African companies is that they are the economic bearers of the *African Renaissance*.

Through NEPAD and the *African Renaissance*, South Africa is making a geographic claim on the post-Apartheid region and continent. The *African Renaissance* is more a mobilising ideology than an economic programme. President Thabo Mbeki has advocated this idea in public addresses locally and abroad since 1997. Lodge (2002) highlights the 'liturgical status' that this idea now enjoys. He notes that a range of social events, gatherings and institutions take the *African Renaissance* as a reference point. The New African Partnership for Development led by President Mbeki of South Africa and his allies (Nigeria, Senegal, Egypt), aims to have 'a new framework of interaction with the rest of the world, including the industrialised countries and multilateral organisations'.

The targets set in the NEPAD programme are for an African GDP growth of seven percent per annum, even more ambitious than the target growth rates set during Africa's 'development decades'. The core elements of the NEPAD include more privatisation, especially of infrastructure, multi-party elections, information and communications technology, peace-keeping, more and better managed aid, debt relief and more equitable trade relations between developed and developing nations. Underpinned by modernist visions of telecommunications and infrastructure development, NEPAD argues that technological progress will be the route to Africa's economic regeneration. Securing inflows of capital is therefore crucial to this process.

South Africa and its allies have attempted to woo dominant 'Western' powers to back financially and politically the investment initiatives of NEPAD. Through the NEPAD and the African Union, South Africa has drawn together other regional superpowers into a leadership core. This leadership core is the lever for claiming economic jurisdiction over the African geographic entity. In this way, NEPAD has become a tool for Africa-wide economic discipline to global, neo-liberal dictates. This initiative has been given institutional clout through a dedicated NEPAD secretariat within the South African government.

Like the national programmes of the democratic South African government (GEAR and the RDP), NEPAD has economic objectives that target the entire continent. It is saying that it wants to strongly influence the economic practices of the continent. It wants to be able to tell global powers like the US, the World Trade Organisation and the G-8 that key African powers are able to exercise a degree of control over African states. To this end it has launched NEPAD as an economic programme. The programme has a practical, economic objective: to entice investors to put their money into joint projects with African governments. Public-private partnerships are therefore a central plank in this edifice. Its outputs will be measured quantitatively. Politically, NEPAD demonstrates a shift away from national autonomy. In terms of the programme's objective, a combined effort is required by African states. National economic sovereignty has to be subordinated to Africa-wide economic objectives. African economic combination is a clear objective. Economic policies of African states should converge and facilitate global neo-liberal integration for African economies. Each state cannot fashion its economic policies independently of the regional and continental good. The African state has to strive towards a synergy between national and continental economic policies.¹² In the context of NEPAD, South African investment attains a political importance beyond its economic impact. South African MNC investment in Africa is not a depoliticised economic act but becomes linked politically to the NEPAD objectives of growth and investment in Africa.

Conclusion

While NEPAD looks to the North for partnerships between African governments and private investors, a primary source of investment emanates from within the continent itself. NEPAD advocates often argue that the programme is internally self-reliant and can proceed with or without the support of Northern countries, yet the role of South African capital in investment on the continent is often overlooked.

NEPAD programmes and practices will be linked to the activities and interventions of white, South African capital. But these South African MNCs may be less interested in *ubuntu* for Africa and more in their role as modernising agents. If their tendency is to emphasise their role in Africa's 'economic upliftment' and progress, as it appears to be, the humanistic component of the Renaissance is then suppressed. This approach to their 'economic Renaissance', however, means that predominantly white economic agents are involved with the *African Renaissance*. Post-colonial Africa will continue to have the racialised contours of colonial Africa, in terms of which white men bring modernity to Africa. The bizarre outcome of the economic and ideological interventions of South African MNCs in Africa is that the *new Africanism* and the *African Renaissance* will take on a white, racial hue.

The Council for Development and Social Science Research in Africa (CODESRIA) called a meeting of African scholars and activist intellectuals in April 2002. In contrast to NEPAD's claims of representing an 'African solution' to African problems, CODESRIA academics and activists cautioned that the neo-liberal framework of current development crowded out alternative African development thinking.

Over the past decades, a false consensus has been generated around the neo-liberal paradigm promoted through the Bretton Woods Institutions and the World Trade Organisation. It is in this context that the proclaimed African initiative, the New Partnership for Africa's Development (NEPAD), which was developed in the same period as the United Nations Economic Commission for Africa's compact for African Recovery, as well as the World Bank's Can Africa Claim the 21st Century?, were discussed ('TWN-Africa/CODESRIA Declaration on Africa's Development Challenges', 26/4/2002, www.twnafrica.org).

A common criticism levelled at the NEPAD process is the way it consulted bourgeois parties, then formalised and institutionalised the process, and then only began to draw 'civil society' into the discussions. During the formulation of NEPAD, no trade union, other civil society, church, political-party, parliamentary, or other potentially democratic or progressive forces were consulted. In contrast, extensive consultations occurred with the World Bank and IMF (November 2000 and February 2001), transnational corporations and associated government leaders (at Davos in January 2001 and New York in February 2002), the G-8 (in Tokyo in July 2000 and Genoa in July 2001), the European Union (November 2001) and individual Northern heads of state (AIDC Notes to Cosatu CEC, 24 April 2002).

Challenging the 'partnership with the North' that powers NEPAD's objectives, the Declaration by TWN/CODESRIA premises its position on a 'hostile global order':

- (i) First, terms of trade are against African economies,
- (ii) Second, IFIs (International Financial Institutions) impose 'unsound' macro-economic policies through structural adjustment conditionalities on African economies,
- (iii) Third, an unsustainable and unjustifiable debt burden cripples Africa's economy and negates African ownership of development strategies ('TWN-Africa/CODESRIA Declaration on Africa's Development Challenges', 26/4/2002, www.twnafrica.org: 1).

While NEPAD bargains for better terms of trade, this Declaration takes these unfair terms of trade as a political given in the global economy. These are structural constraints to Africa's development. NEPAD is trying to push the boundaries of these structural constraints by improving Africa's export conditions. But this comes with a political tag, (as Pettigrew's scoldings showed): act as the continent's political and economic gatekeeper for our global dictates or there is

no deal or partnership. White Northern sensibilities are horrified by Robert Mugabe and his old style of dictatorial Third Worldism. This era is supposed to be over, and NEPAD has to ensure this break with the Third Worldist past. If it cannot perform this minimal political conditionality, it is not worth the North's while to support the process.

The first observation is that South African companies, whether we like it or not, represent South Africa. South African companies like Anglo, MTN, Vodacom, Steers and Shoprite Checkers become the bearers of the *African Renaissance*, of South Africa's post-Apartheid reintegration with Southern Africa and Africa. But what does it mean when this same company embarks on an exploitation that is so brutal that it undercuts gains such as the 10-hour working day won by the working class in the 1850s? How can you be the bearer of modernity and an *African Renaissance* when you plunge black workers back into the dark ages of early capitalism and the satanic mills?

NEPAD calls for partnerships between African countries. If some are more equal than others, is post-Apartheid South Africa the architect of a new regional racism? Racism has its geographies, both inside countries and between countries of the region and the continent, between weaker and stronger nations. If the *South African Renaissance* is led by this kind of white naivete that has no conception of an African past, we are brewing a lethal regional cocktail. We cannot see our workplaces as only South African, or Namibian, or Mozambican, or Zambian. Our histories are tied together, our present and our futures as Southern Africans and Africans are being intertwined again. NEPAD and South African capital have an ideological convergence: the programme and material practice form part of a neo-liberal Africanist appropriation of Africa in the 1990s. Geography and politics are brought together in an attempt to discipline Africa into neo-liberal global capitalism. The ideological commonality in NEPAD and South African investment in Africa is a newly-fashioned, neo-liberal Africanism.

Ideological convergence, however, does not preclude a divergence between NEPAD and South African capital in Africa. First, different appropriations of African identity are possible within such a neo-liberal Africanism. The African identity of white-led South African capital embraces modernisation notions of development that are a throwback to colonial times. *African Renaissance* ideology, on the other hand, has a pre-colonial and anti-colonial sentiment. Second, NEPAD's programmatic goals rest on investment partnerships between African states and foreign capital, yet Africa's biggest and expanding investments come from within the continent, namely from South Africa. A potential divergence exists, therefore, between policy objectives and real material processes. State policy idealists cast their eyes across the oceans and wish for a turn-around in global capital towards Africa, yet right before their eyes South African MNCs are transforming Africa and forging a NEPAD and an *African Renaissance* in their own image. While utopian visions for Africa's

future are crucial, it is at this level of real, material processes that neo-liberal *Africanism* will need to be challenged.

Notes

1. NAFTA similarly has seen regional integration become a force for hypercommodification of women workers (Fernandez-Kelly, 1983; Lorena-Cook, 1997).
2. Mattli (1999) surveys the various phases of integration fever in Europe. Regional integration today is more evidently regional and global reintegration.
3. Kropotkin's notion of mutual aid is an interesting counterpoint to the Darwinian/Hobbesian notions of evolution through competition (see Harvey, 1996:161).
4. Other authors also emphasise the 'social construction' of the region. Wallerstein refers to the 'social construct' of Southern Africa (Vieira, Sergio, Wallerstein, I., and Martin, William G. [1992] *How fast the wind?: Southern Africa, 1975-2000*. Africa World Press. Trenton. N.J.). Leysens (1998) similarly refers to this social dimension of regionalism through a 'Coxian approach'. The theorisation of space is the specific innovative dimension of Niemann's contribution to this debate.
5. See Bond, Miller and Ruiters (2000) for how the space of regional working class formation is shaped by the region's political economy.
6. Angola, Botswana, Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, de Zimbabwe.
7. Some companies have re-established the old, imperial geography of these South African-based MNCs by listing on the London Stock Exchange.
8. Many Mozambicans used to make a week-end's leisure activity of shopping there but increased crime rates are making this less attractive leading to growing deindustrialisation of central town areas and the relocation of businesses.
9. This is a tension-ridden collaboration as one incident in Solwezi showed when one of these traders came into the store and loudly shouted slogans protesting against Shoprite. This incident was partly provoked because the shop was regulating the amount of its supplies to the traders.
10. By the end of 1999, only two of the fourteen proposed SDIs were operative.
11. Four years were allocated for the construction of the wide N4 road. At this stage of the project, the smooth, tarred freeway begins in Johannesburg and ends in Maputo. The border posts are still narrow dust-bowls. The road is swiftly traversable by the luxury coaches that carry the frequent human traffic between Johannesburg and Maputo. For the Frelimo Minister of Information turned Investment Advisor, regionalisation is Mozambique's answer to globalisation. (Interview, Maputo, August 1999). Returning to South Africa on a Saturday, the South African border post entry to Mozambique had a long queue of cars and many trucks that were carrying construction materials (mostly steel posts and cement) for use in Mozambique. Along the N4 on the Mozambican side, there were small pockets of construction work on the road, with high-tech trucks and machines

manned by black, male workers. Small tent-sites in the adjacent veld with no infrastructure seemed to provide the temporary housing for workers on these sites.

12. The issues of collective action and state sovereignty in the sphere of political democracy highlight the ambivalence in the NEPAD leadership. There is a historical reluctance to interfere with the political autonomy of sovereign states, a characteristic of the 'African old boy's club'. Although African governments are willing to support a programme for economic co-operation, they share this interest in non-interference in their governments.

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Appendix

(See overleaf)

Table 1: Total and South African FDI into SADC (excluding South Africa), 1996-1998 (USDm)

Target Country	Total FDI, 1996	SA FDI, 1996	SA share, %	Total FDI, 1997	SA FDI, 1997	SA share, %	Total FDI, 1998	SA FDI, 1998	SA share, %	Total FDI, 1996-98	SA FDI, 1996-98	SA share, %
Angola	0	0	0	1.78	0.78	0	133.03	103.00	77.43	134.81	103.78	76.9
Botswana	3.58	8.35	?	14.07	9.99	?	55.25	57.25	..	72.9	75.59	..
DRC	..	..	..	190	..	..	199.7	..	..	389.70	..	..
Lesotho	..	..	..	2.43	2.43	..	0.4	..	..	2.83	2.43	85.9
Malawi	3.83	1.62	42.29	363.48	0	..	41.22	41.30	..	408.53	42.92	10.5
Mauritius	..	0	..	..	0	..	..	7.30	..	..	7.30	..
Mozambique	163.99	126.03	76.85	2936.44	1380.89	47.03	3499.20	393.21	11.23	6599.63	1900.13	28.8
Namibia	905.81	5.81	.64	265.39	15.39	..	138.21	124.45	90.04	1309.48	145.65	11.1
Swaziland	..	..	..	..	32.61	..	..	48.77	..	..	81.38	..
Tanzania	200.83	0.83	.004	208.30	26.30	..	63.28	443.29	..	472.41	470.42	[99.58]*
Zambia	34.50	4.50	13.04	283.53	186.24	..	375.60	212.39	56.55	693.63	403.13	58.1
Zimbabwe	3	..	..	552.79	586.52	..	321.75	340.24	..	877.54	926.76	..
Total	1315.54	147.14	11.18	4850.82	2241.15	46.15	4827.71	1771.19	36.69	10961.46	4159.49	37.95

Source: Data from Soderbaum, 2002.