

Trajectories of Accumulation: How neoliberal primitive accumulation is planting the seeds of suicide

By Issa G. Shivji

Prof Shivji was a distinguished professor in constitutional law in the University of Dar es Salaam's Faculty of Law for 36 years, has taught and worked in universities all over the world, written numerous articles and books, and has also produced a weekly column printed in national newspapers. He is a well-known legal scholar and Africanist, and has devoted most of his life to addressing issues regarding the exploitation of Tanzanians through both national and international economic and legal policies and orders.



Issa G. Shivji

The disparity we see between workers and owners, between rural and urban areas and between colonised and metropolitan countries is the result of a process of unequal exchange that goes back several centuries. Prof Shivji traces the wretched path of

expropriation that has shaped social and economic relations over this period and up to the present with a grim warning of how this mode of exchange threatens the very source of life on earth: the seeds we use to grow our food.

THEORETICAL BASICS

Accumulation lies at the heart of the capitalist production process. As the old man Marx said: "Accumulate, accumulate! This is Moses and the Prophets." Accumulation at once gives us the two poles of the capitalist mode of production. At one end lie the production, appropriation and expropriation of surplus labour and at the other lies accumulation. I use the words "expropriation" and "appropriation" as distinct concepts and not interchangeable terms. By expropriation, I mean

seizing of surplus labour without the appearance of equivalent exchange. In appropriation, the transfer of surplus is mediated through equivalent exchange. At the accumulation pole, we get two forms of accumulation corresponding to two forms of transfer of surplus – i.e. primitive accumulation (PA) corresponding to 'expropriation' and accumulation by expanded reproduction (EA) corresponding to 'appropriation'.

In between the two poles of 'accumulation' and 'expropriation/appropriation' lie various kinds of mediations – market, state, force, volition etc – and forms and factions of capital – merchant capital, state capital, rentier capital, financial capital etc. These in-betweens are historically and contextually specific. The character of accumulation and the form of expropriation/appropriation is also of course historically and socially specific. It is precisely the investigation of these specificities that allow us to characterise and understand social formations and help us to answer the big questions: Who produces surplus?

Who appropriates it? What happens to the surplus so appropriated? These are the big questions that underlie politics and express themselves in social/class struggles filtering through multiple layers of mediations – ideological, religious, cultural, etc etc.

Now my main thesis is – and I am not the first one to propose it – that PA and EA exist side by side and in contestation. For Marx, PA was the original state of accumulation by downright robbing – whether through enclosures in the centre or robbing of people and treasures of the periphery. Rosa Luxemburg extended this and argued that a non-capitalist periphery is essential for the capitalist centre to function and to reproduce itself. More recently, David Harvey is credited with reinventing Rosa Luxemburg. He wasn't the first one – some scholars in the South discussed this long before him but as the division and hierarchy of knowledge production goes, they have disappeared from the radar of dominant scholarship. But I think it is useful to bring back the concept of PA to explain and understand the trajectory of accumulation – especially in the periphery, more so in Africa – and its extreme polarising effect on society.

My argument is that the overarching characteristic of PA is that it cuts into necessary consumption of the producer. This is the argument I applied in my article on the exploitation of small peasants in the 1980s (see Shivji, Issa G. 1987. *The Roots of the Agrarian Crisis in Tanzania: A Theoretical Perspective*. Eastern Africa Social Science Research Review 3(2):111-134.)

So even though the productivity of small peasants is low, he/she still yields surplus to capital. Peasant exploitation by capital is predicated on super-exploitation and this is possible because the peasant exerts a super-human effort while living sub-human life.

Let me quickly cover in a few strokes the historicising of accumulation and

then focus on the application of this under the current neo-liberal phase of capitalism.

HISTORICISING ACCUMULATION

The Long Durée

For five centuries of encounter between European capital and African labour, the process of accumulation was dominantly PA. And the methods were classical. Robbing of human beings on the west coast – the ignominious Atlantic slave trade and the looting of ivory, gold etc on the East Coast, in the process destroying city-states of the Swahili civilisation – Mombasa, Malindi, Mogadishu, Kilwa, etc. Starting with the landing of two high seas pirates – euphemistically called explorers – Christopher Columbus on San Domingo in 1492 and Vasco Da Gama who rounded the Cape in 1497-98 and bombarding of the Kilwa city-state.

Under Colonialism

Under colonialism the dominant form of accumulation was PA – initially robbing indigenous people of their land and then establishing the labour system, the so-called migrant system of labour – in both peasant-plantations and settler colonies. (In Tanzania it was called manamba, the Swahili plural of namba – number – because the labour recruited by recruiting agencies were identified by number, not by name.) The migrant labour system is a classical illustration of how the system of exploitation based on cutting into necessary consumption operated in practice. First, much of the fertile land was alienated to settlers, for example, in Kenya, Zimbabwe, South Africa. This had a double purpose, first to create labour reservoirs to supply “cheap labour” and second, to ward off competition from small peasants. In a country like Tanganyika, as it was

called then, labour was recruited from labour reservoir areas to employment areas. The labour was bachelor labour. It was paid very little cash wage and a carefully computed food ration just to keep body and soul together (a kibaba of dona – coarse corn flour, a couple of ounces of salt, a couple of green chilies to supply vitamin A, perhaps half a pound of meat every month, etc.). Back home, the women became food-growing peasants to take care of the family – thus subsidizing capital. So at both ends, exploitation was by cutting into necessary consumption. The woman was peasantised while the man was semi-proletarianised.

This system operated across countries and within countries. This form of PA robbed the producer of the very sustenance of life – where starvation in both senses of calorie deficiency and malnutrition existed side by side. (Monoculture economies destroyed the variety of nutritious foods originally cultivated by peasants. When cotton was introduced in Sukumaland of Tanzania in the 1950s, for example, peasants shifted to cultivating cassava as a food crop which required less labour since much of the labour was deployed to grow the cash crop.) Another effect of the division of labour reservoirs and employment areas was extreme uneven development which in the post-colonial period supplied the material basis for regionalism and ethnic grievances.

The Post-Colonial Nationalist Phase

With independence, the three EA countries adopted what they called a high wage economy, abolished the migrant system and embarked on some kind of import-substitution industrialisation. My argument is that in fact during this nationalist period the idea was to make EA dominant in which labour power would be bought >>

– theoretically at least – at its value, that is sufficient for its reproduction. This was done through raising monetary wages but also by adopting various welfare measures – free health, education, water, sanitation, old age benefits etc – thus augmenting the social wage. But the tension between EA and PA continued – and EA failed to develop fully fledged capitalism. In South Africa you would perhaps have to modify this narrative but I believe even here PA plays a very significant role – capitalist enclaves in fact of monopoly capital – notwithstanding. With neo-liberal reforms through Structural Adjustment Programmes (SAPs) etc. PA is reinstalled.

New forms of primitive accumulation under neoliberalism

First, sale of public assets at fire-sale prices to corporate capital was a new kind of PA. For example, in Tanzania the state-owned National Bank of Commerce (NBC) was privatised to ABSA at a very low price – some \$15 million – which was lower than the value of real estate owned by NBC. NBC branches are all over the country. When Tanzania Breweries was privatised to South African Breweries (SAB), it came with prime urban lands and barley farms in Kilimanjaro. SAB sold one of their prime plots to Shoprite – I’m sure at a handsome price. TBL’s popular trade marks such as Safari beer were vested in a sister SAB company based in Geneva to which TBL paid royalties!

Second, under the argument of attracting investment, the state made a lot of concessions which in effect meant that the working people collectively through the state were subsidising capital and their own exploitation. When sisal estates were privatised in Tanzania, the state, which owns land, charged ridiculously low rents – in effect the landlord (the state) was ceding its right to rent to capital. Mining contracts were

typically extremely one-sided with outrageous provisions like the state binding itself not to make changes in law unfavourable to mining companies – in effect a sovereign parliament abdicating its sovereign law-making powers and the terms of a private contract overriding state legislation.

Three, privatisation and commodification of social and public goods. Education, medical care, water, energy, ecology, bio resources, etc – are all turned into commodities and have to be paid for. First, this almost abolished the social wage component in the remuneration of labour and second, created new sites of accumulation – PA – for capital. Outsourcing of services has a similar effect – whether this is outsourcing of cleaning of government buildings and offices or outsourcing of restructuring of government procedures, etc. Very soon we would be outsourcing prison services – as happens in the US – and, maybe, even outsource the civil service since it is considered inefficient and corrupt. Outsourcing has the added political effect of destroying trade unions and class solidarity of the working classes. The working site is separated from the employment site. The worker does not belong to the site where he/she works. To give one example: outsourcing of the cleaning and catering staff at universities, for example, destroyed the potential of building camaraderie and solidarity between workers and militant students.

Fourth, the whole range of financialisation in which money makes more money without even passing through the phase of producing a commodity – M (money-capital) – C (raw materials, machinery, labour power) – M’ (more money – M’ being greater than M). Now you have M-M’, that is you make more money from money without even producing any tangible commodity. This is what the dominant economic discourse recognises as the rupture between

the financial economy and the real economy. To cite one example: the commodification and privatisation of public/sovereign debts with far-reaching impact under which public debt is sold at a discount to a private entity. This is killing two birds with one stone. First, a new source for capital to reap profits, and second, remove political pressure on the states of the centre by the indebted states of the periphery. You may threaten a debt-cartel of the indebted states against the states or financial institutions of the centre and, at least, politically shame them, but how do you form a cartel against your disparate private creditors whom you may not even know until they come to enforce payment of the debt. You can shame the state but you can’t shame the faceless market.

Fifth, commodification of land – what Karl Polanyi long ago called an artificial commodity – is age-old but now it has moved to seeds. As seeds are commodified and production of seeds gets monopolised by corporate capital, it can cause havoc for small producers. Besides creating seed dependency, it becomes the means of extracting even more surplus from the peasant producer. India has been witnessing hundreds of thousands of suicides of indebted farmers who fail to repay their debts. God forbid, we end up in Africa with farmers committing suicides because they cannot afford to purchase seeds for the subsequent cycle. Nor can they save seeds from the existing crop because the second generation corporate (particularly genetically modified) seeds are terminator seeds, meaning they are sterile and cannot be used again. In fact, they are called suicide seeds.

We should be able to link our research with the larger framework if they are to yield insights on how to move forward politically.

The article is a talk that was given by the author to a PLAAS seminar at the UWC on 27 September 2017. NA