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Côte d'Ivoire:* analysing the crisis

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In contrast with the situation in the majority of African countries, the Ivory Coast until the end of the 1970s achieved an economic growth of the order of 7 per cent per year (and this without any mineral resources). This was obtained by an expansion of the economic orientations inherited from colonial rule. The years 1977/8 marked the high point of an economic boom that had been maintained until then by the price explosion of coffee and cocoa on the world market. Ivorian ruling circles appear from the mid-1970s to have been seized by a financial euphoria which led to a substantial inflation in public investments. Large agricultural development operations were launched and managed by a rapidly expanding public enterprise sector. This expansion was accompanied by an apparent concern to redistribute the fruits of this growth according to region, with some particularly extravagant consumption propensities and an expensive policy of infrastructure creation and capital goods purchases. This unbridled expansion was bound to increase the country's foreign debt, as a large chunk of the investment financing came from Western banks. The deterioration of some balance of payments items (services, transfers) ensued as the heavy equipment installed during this fever meant increased imports.

With the least drop in the markets the country would thus be in a very difficult financial situation. This is what happened from the second half of 1978: the collapse of coffee and cocoa prices (as sharp and profound as the preceding rise had been steep and exciting) exposed all the components of an internal and external crisis. Over the next eight months and in a very intense manner, a certain number of factors were to combine with tremendous effect upon the Ivorian economy: to the drop in the market there was added the rise in imported goods (notably due to the second petroleum shock), the rise in interest rates, the rise of the dollar, and, because of export quota practice established by the International Accord, the impossibility of selling all the coffee produced. Up until 1980 (and in certain spheres even later), the Ivorian authorities reacted sluggishly to the quickly deteriorating situation: a recovery programme was indeed established in 1978/9 with the aid of a

* The government of the Ivory Coast has recently instructed international organisations to use this French language designation, rather than any translated form, in all official documents. We respect this preference for the title of this chapter (eds.).

fiduciary fund but it proved to be quite insufficient and, in any case, expansionist policy by and large continued while the ambitious public investment operations went on. One did not have to wait long for the results: the deterioration in terms of exchange produced a growing balance of payments deficit, and the drying up of resources at the Caisse de stabilisation (the organisation which controls coffee and cocoa marketing and has traditionally acted as an important source of taxation) placed the financing of state budgets (operating and investment) in peril; finally debt servicing became much more onerous.

The Ivorian government then had to call upon International Monetary Fund and World Bank assistance, beginning in 1980. In return for new credits, these lenders made the government adopt a severe programme for financial recovery. But the tendency to deny the evidence of the crisis, illustrated amongst other things by greatly exaggerated official hopes for oil production, prolonged and deepened the imbalances. The drought of 1983, with its effects on the level of agricultural production (the coffee harvest which followed was scarcely one-third that of the preceding year) and on the decline in industrial activity (due to numerous electrical power cuts), also gave new impetus to the crisis.

The difficulties of day-to-day existence, until then unknown in the capital, in the end convinced the Ivorian leaders that the crisis was real. After the good export receipts of 1985 (drawn from a brief recovery of the markets and record harvests), the suspension of debt payments (recently declared by the government) testified to some very serious difficulties in the country, although perhaps there is a tactical aspect to this affair, aiming to obtain better financial conditions from the Paris and London Clubs for the recycling of the debt. This announcement of insolvency at the end of 1987, although not surprising to specialists of the Ivorian economy, does however appear highly symbolic and significant: in the country where economic growth has continued at the pace of a forced march; in the country of conspicuously displayed wealth, of huge development projects and luxury goods; in the country where, according to the official formula promoted by the dominant class, there was no room for 'cut rate Africanisation'; in this country the impossibility of paying the foreign debt put an end to any remaining illusions.[1]

The economic crisis and the numerous and painful adjustment measures that have been decreed in order to restore the large macro-economic balances, and to rehabilitate particular sectors of economic activity, have constituted not only the framework of economic evolution in the Ivory Coast, but also that of its social and political evolution. The object of the present analysis is to go back over the modalities and components of the crisis, and to examine the various explanations that have been advanced for it. Due to a previous general and unfortunate underestimation of socio-political variables, we also propose to clarify the crisis through a look at the evolution of the Ivorian patrimonial system.

Some interpretations of the Ivorian crisis

It is possible to pinpoint two broad types of interpretation in the economic analyses of the Ivorian crisis. This binary distinction should be considered here as simply indicative: it is based upon the emphasis given to either situational content or structural content in the explanation. This examination will allow us to be more specific about the economic vicissitudes of the country over the last ten years.

Official versions

These do not provide the best possible understanding of the crisis. Governmental speeches are either blind, or partial, or contradictory because they respond to immediate political interests. What is essentially at stake here is the question of political control, survival in power and the legitimacy of those in office. Thus one should not be astonished, for example, by ambiguous declarations from the Ivorian president at the same time complaining about the rise and fall of the dollar.[2] Equally, one must note with prudence the bluster of the authorities in Abidjan regarding speculators hidden behind the markets, who prevent the establishment of the 'just price' so ardently called for by the Ivorian government for coffee and cocoa. Specialists in the marketing of these commodities have clearly shown that prices correspond to the balance between production and consumption.[3] Finally, one remembers the hasty announcements of the 'end of the crisis' which were made by the Ivorian leaders towards the end of 1985, although the improvement in the situation was only temporary.[4] The analysis of the official positions over the crisis, interesting more from a political point of view than an economic one, merit meticulous examination. Between 1978 and 1980 the crisis was denied by government circles, and the type of economic policy which was then applied perfectly expresses this refusal and/or blindness. In a second period (1980–2), the crisis was recognised but only in a euphemistic fashion as regards its scope, the government being inclined to see the imbalances as a result of economic jolts of external origin (unfavourable international environment). However, the first batch of austerity measures was put into place at this time with the assistance of the IMF and the World Bank. The crisis only seems to have been recognised as such on the occasion of the severe and quite exceptional drought of 1983; the government resolved after a lot of hesitation to solicit the first recycling of its foreign debt. The first improvements in export receipts (1985) soon encouraged people to think that the crisis was a thing of the past. But the return of very weak world markets (scarcely higher than the prices paid to the producers) obliged the authorities to face the facts by declaring the country's insolvency in the month of May 1987.

This oscillation from fundamental blindness to partial lucidity, interspersed with uneasy denials and circumstantial underestimations, is revealing. The hesitancy of the diagnosis betrays, at the highest level of power, the anxieties attached to some of the ideological and even economic foundations of a regime which has long prided itself on being able to bring about expansion and assure social integration. The sudden impossibility of fulfilling the 'contract' (whose terms were of course fixed by the authorities) and of respecting the challenge (one recalls Houphouët-Boigny's public challenge to Nkrumah at the time of Ivorian independence) helped to produce a phenomenon of cognitive dissonance in the perception of the crisis among the Ivorian ruling class. These fluctuating stands also show a set of dispositions which had been taken in circumstances of strong growth and which therefore prevented clear thinking in the new situation.

Situational interpretations

In an abundant literature, one may give particular attention to the analysis of Neil B. Ridler.[5] According to this author, the Ivorian crisis paradoxically originates with the boom market for coffee and cocoa between 1975 and 1978; the effect of this was greatly to improve the country's balance of payments and, as a result, the surplus accumulated by the Caisse de stabilisation. This gold mine helped to finance the investment and capital goods budget. But the rise in the markets of course did not last, quite considerable downturns ensuing until 1981. However, public investment operations were undertaken on the basis of these formidable export receipts. All analysts agree upon the perils of financial investments made on the basis of exceptionally advantageous coffee and cocoa prices, and they underline no less unanimously that many development and capital goods deals were made hastily, regardless of official plans, and often from motives of political opportunism or considerations of prestige, with poor prospects of profitability.

The consequence of these decisions, as Ridler notes, was a very significant increase in public spending (from 187 billion CFA francs in 1975 to 530 billion CFA francs in 1978), according to World Bank sources. In order to complete the financing of these ambitious programmes, Ivorian officials resorted to foreign loans, principally from private financial institutions. Thus is explained the tenfold increase of the external public debt (of which close to 50 per cent was drawn in dollars) during the same years.

While the downturn in the coffee and cocoa markets persisted, the dollar soared upwards (with a corresponding depreciation of the French franc and consequently the CFA franc) as did interest rates; as a result debt servicing became more and more of a burden. The ratio of debt servicing to annual export receipts went from 9 per cent in 1975 to 11.2 per cent in 1977 to 25.9 per cent in 1981 and reached 37.3 per cent in 1983. If the debt had not been recycled in 1984, the repayments for that year would have approached 500 billion CFA francs or more than 60 per cent of export revenue. The recycling negotiated with the Paris and London Clubs, in reducing the service on the debt by around one half, brought the authorities in Abidjan some initial financial relief.

Ridler recognises that this outcome gives some apparent justification to those analysts who doubt the possibility of development based on an economic policy of a maximisation of comparative advantage. But he principally blames the behaviour of Abidjan authorities fascinated by the price explosion in the commodities markets. He furthermore sees a certain importance in the delay of the Ivorian rulers in reducing the level of public spending at the time of the market fall; he estimates this delay at two years. Other authors developing a 'situational' explanation strongly insist on the nature of economic and financial decisions taken during the years of the market downturn, which appear to them to have been largely out of step with the rapid deterioration of the country's principal indicators of resources, debt, and economic activity.[6] Many experts agree on this point, whatever their interpretations of the crisis might otherwise be. Investment continued to develop as spending in the public sector rose until 1982; the surpluses stored up during the peak of the boom were thus entirely squandered, the authorities behaving as if the high markets were going to last forever (or reappear). They did not modify their economic policy even after the gold mine had disappeared. The pursuit of these programmes accentuated the call for foreign loans precisely because of the drying up of state revenues and the paucity of local savings. These vicissitudes are obviously not all the direct consequence of the comparative advantage model.

This type of analysis then insists on the circumstantial status of those factors selected as having provoked the crisis, which does not appear as inescapable or insurmountable. More judicious internal financial and economic choices, and quicker responses to the ups and downs of the international situation, would thus have limited the size of the imbalances and permitted the model of growth to perpetuate itself.[7] The over-investment and over-indebtedness of the years 1975–8 are thus among the situational factors most often called into question in this type of explanation.

Structural interpretations

In his mission report of 1978 the expert assigned by the World Bank, B. den Tuinder, had already drawn attention to some profound imbalances created or accentuated by the mode of growth in the Ivory Coast.[8] Put together before the advent of the crisis, the analysis had the merit of pinpointing the limits being reached by the country. Its author most notably indicated:

- that the necessary diversification in agricultural production had henceforth to extend to areas where comparative advantage was less;
- that the cost of industrial development, though necessary, was rising more and more, and was correlated to a process of import substitution that was stifling;
- that the exhaustion of forest resources would lead to a substantial loss of export earnings;
- that foreign investments would become rarer and more costly, the best opportunities for profit having already been taken.

However, while developing a serious critique of the Ivorian economy, den Tuinder expressed confidence in the possibility of adapting economic policy to the new challenges and old constraints, as well as making business management more rigorous. This would allow the country to 'get over the hump ... The essential flexibility of the Ivorian economy and the record of its management suggest that it will find an adequate solution.'[9]

One of the best examples of a fully structural type of interpretation is the analysis of G. Duruflé.[10] This expert is fully aware of the immediate factors which damaged the international environment of the Ivorian economy after 1978. This deterioration, perceptible from the end of 1978, is however only seen as the trigger mechanism or amplifier of existing imbalances in the Ivorian economy that had been concealed by the extremely favourable economic situation between 1976 and 1978.

The genesis and components of the blockage according to this analysis can be summarised as follows: foreign trade created a regular rise of imports (of goods and services but also of factors of production) provoking a progressive deficit in the balance of payments which was accentuated by the increased burden of debt servicing. This irresistible rise of imports (of goods and services but also of factors of production) is explained through the basic orientations of the Ivorian economy: extroversion (for labour and capital); stifling of the industrialisation process by import-substitution; very high (and thus very costly) standards for infrastructure and capital goods; European style consumption; large disparities in revenue, etc. As a result there ensued massive profit repatriation, revenue transfers, and the increased burden of debt servicing. Yet it is also noted that the structure of national production has been little modified since independence. Efforts (however real) at diversification in agricultural production, and the processing of commodities (with the setting up of large farm produce complexes) did not prevent the country from remaining dependent on the traditional export crops for the bulk of its receipts: in 1981, for example, coffee and cocoa represented close on 80 per cent of the value of Ivorian agricultural export products.

Potential impediments were however hidden by the very favourable evolution of the commodity markets at certain periods and by public spending during the time of dynamic growth. Thus for a long time the realities of a country remaining for the most part an exporter of a few agricultural foodstuffs did not appear, the limits reached by the industrialisation process were masked, and the non-competitiveness of Ivorian products was hidden.[11] The decrease in economic efficiency moreover is explained by the growing role assumed by the Ivorian state in the 1970s: support for agricultural growth; industrial policy; intervention to reduce some of the serious disparities created by economic expansion; development of social, health and educational services; capital goods financing (notably in urban housing) for the benefit of civil servants.[12] Consequently, the costs attached to the development of public power had a tendency to increase the search for external financing. This financing, only slightly productive, generated basic imbalances attested to by the increase in public spending as compared to GNP (this ratio reaching 42.7 per cent in 1978)[13] and the expansion of foreign borrowing.

Duruflé sees blockage factors as deep-seated and long standing, corresponding to the model of accumulation and growth. The existence and weight of situational factors are not ignored, but they are denied an explanatory power for the crisis; from this perspective, the way out of the crisis presupposes profound structural modifications.[14]

The affinity of this analysis with Samir Amin's famous study in the early years of Ivorian independence is obvious.[15] In the eyes of Samir Amin the conception of the Ivorian crisis (of which there was then only a premonition) rested essentially on external financial imbalances irresistibly provoked by exporting a large part of national savings in necessary payment for foreign capital invested in the country, and for repayment of loans contracted outside the country. But, more qualified than other analysts, and aware of a capacity for reorientation amongst the Abidjan authorities, Samir Amin saw the Ivorian *impasse* as probable and not inescapable. In this presentation, however, the crisis most certainly takes on some structural dressing in the sense that difficulties with outside finances were perceived as the compulsory counterpart of the modalities of Ivorian growth.

Other recent analyses of the blockages in the Ivory Coast economy have insisted on different factors and mechanisms. Some authors emphasise the overcapitalisation of industry and the subsequent urban underemployment, against which the Ivorian government struggles with measures that are inevitably very expensive and superficial.[16] Others see in the financial crisis simply the present manifestation of fundamental contradictions in the prevalent mode of accumulation, with enormous transfers from the agricultural sector to the foreign dominated industrial sector; the stagnation of the revenue of rural producers thus prevents the broadening of the internal market, and drains the traditional financial resources of the state.[17] Thus the original conditions for reproduction in this model of growth may no longer be assured. From this perspective, the crisis that has occurred since 1978, clearly visible in the financial indicators (balance of payment, debt, state budgets, etc.), is a more or less necessary historical fulfilment.

Levels of analysis: sub-Saharan and Ivorian

The number and diversity of the explanatory outlines of the Ivorian crisis no doubt testify to its real complexity, and to the difficulties of grasping its nature and meaning, beyond a general agreement (outside of official spheres) on the gravity and seriousness of the country's problems. Analyses of a situational type tend to neglect the tendency to imbalances in the model of Ivorian growth (stressing dependence, risk of reversal in the financial flow, growth of external indebtedness, exacerbation of social and spatial disparities, etc.), which render it vulnerable to sudden changes in the international environment. We acknowledge that the obscurities and confusions in the various attempts at comprehending the Ivorian crisis will not disappear of themselves and that a supplementary effort of clarification appears necessary. Several sets of problems are, in effect, left hanging by the various interpretations.

One wonders for example whether the vicissitudes of the Ivorian economy since 1978 really comply with those foreseen by the dependency theory of Samir Amin. For Samir Amin the scissor effect that was to stifle the Ivorian economy would come from the reversal of financial flows inevitably created in peripheral countries moving from the stage of development (when economic growth 'miracles' are possible) to the stage of exploitation: the inevitable value transfers to the exterior would thus necessitate not only the maintenance but even the increase of private foreign capital investment and external public aid. For Samir Amin, the improbability of an unending rise in external capital thus necessarily led to the impossibility of self-sustained growth and to a blockage of growth.[18] This scenario is seductive and internally coherent, but one must not ignore the fact that all this referred to the international financial framework of the 1970s, a decade characterised by a high rate of inflation and by the problem of recycling the dollars that the oil economies could not absorb. This resulted in a relatively low cost of indebtedness and easy access to credit. Many Third World countries thus responded to (and the Ivory Coast was more attracted than other African countries by) the propositions of American and European private banking institutions. The quick and persistent downturn in the commodities market and a global movement towards deflation, components of a veritable reversal of the economic situation after 1978, aggravated the consequences of debt contracted in the preceding period. These external fluctuations have thus weighed rather more on the Ivorian economy than have those 'objective laws' of accumulation at the centre which lead the dependent country to a net capital export.[19] These external vicissitudes do not appear to be inscribed in the 'genetic programme' of the Ivorian model of growth, even if the latter is naturally more sensitive to the erratic movements of the world economy, due to its extreme extroversion.

The second consideration which should be taken into account is the continental dimension of the crisis. Most African countries have been deeply affected by structural adjustment (irrespective of whether the programmes of stabilisation have been conducted with the IMF and World Bank) whatever their productive structures, economic orientations, or political tendencies. All African states know the painful problems of foreign indebtedness; all or almost all are grappling with deficits in their balance of payments and their public finances as well as blockages in their production. The stifling of the industrial process, sometimes perceived as inherent in the Ivorian crisis,[20] is generally acknowledged by other specialists to be a continent-wide phenomenon.[21]

The problem then is to know how far one can attribute these phenomena

to the Ivorian model of economic growth alone. A lot of confusion and misunderstanding arises from an insufficient precision concerning the level of analysis and explanation. Some observers have a tendency to reproach the 'Ivorian system' for a certain number of developments which are also the lot of other countries with a quite different mode of growth and system of accumulation. On the other hand, one might submerge the products of properly Ivorian economic orientations in a globalising approach. This is why the identification of two types and two levels of model, the sub-Saharan model on the one hand and the Ivorian model on the other, appears likely to improve our knowledge of the Ivory Coast crisis.[22] The sub-Saharan model is characterised by extensive production, an important agricultural export sector, some highly protected industries, an eminent role played in the economy by state power, etc.; the Ivorian model is distinguished by an extreme openness to the exterior, rapid growth, a liberal policy for capital movements, etc. From here on in we must follow the biblical adage 'render unto Caesar that which is Caesar's' as we try to detect which elements of the crisis in the Ivory Coast are products of blockages observed on the continent as a whole (decreasing output, non-innovative overprotectionism, narrowness of the internal market, excessive taxation of the primary sector, and most especially, the difficulty of reaching the intensive stage of production, etc.)[23] and which are the results of imbalances, contradictions and blockages unique to the mode of accumulation in the Ivory Coast (external over-indebtedness, excessive imports in domestic production, a greater vulnerability to external hazards). With this double definition of the operating conditions of the African economy in general and of the Ivorian economy in particular, we believe it is possible to make some advances in understanding the crisis which has rocked the country.

The crisis of the patrimonial system

For a recognition of socio-political variables

Refined and nuanced though they often are, economic analyses of the Ivorian crisis clearly cannot satisfy those who want to understand the shift from a situation of growth to one of recession in all its rich complexity. Constructed at the level of economics and finance, these analyses take account of the behaviour and decisions which have provoked and/or accompanied the ups and downs of the economic situation. But elucidation and treatment of the socio-political variables, seen as external to the economic field, are then expelled from the well-defined universe of economic and financial expertise, and assigned to the specific investigations of the sociologist or political scientist, conforming to the principle of the division of intellectual labour into juxtaposed and tightly compartmentalised disciplines. Yet thus to push aside social and political considerations, which are linked to the mounting crisis of the country, but seen as outside the field of comprehension of 'pure' economics, may deprive us of an opportunity to understand this crisis.

Let us argue from two practical examples. In the first place, all observers[24] have noted that during the 1970s the Ivorian authorities, abandoning the principal industrial projects of the Third Plan (covering the 1976–80 period), embarked upon some operations which were not in the programme and which revolved around prestige amenities or operations that resulted in the development of the service sector, of a very uncertain profitability (building an inland capital city, at fabulous cost, in the President's home town of Yamoussoukro, is only one of many very costly projects), or equally, as in the service sector, operations whose direct financial effects were to deepen the balance of payments deficit due to the large import content in the growth of this sector.[25] This departure from the plan of public investment, this all-out spending explosion, obviously incited by growing liquidity drawn from the coffee and cocoa markets and from easy recourse to foreign credit, cannot however be understood without reference to the specific internal political conditions in this period. When one remarks that the Ivorian leader, over the years between 1971 and 1980 and within the scope of Loi-Programme investment alone (leaving aside other financial sources and procedures that were used), succeeded in mobilising for the sumptuous edification of the new capital 8.5 per cent of total budgetary grants while the demographic weight of the new city, according to the most favourable estimations, was in the neighbourhood of 1.5 per cent of the country's total population,[26] one must conclude that the economic and financial situation in the Ivory Coast cannot fully be grasped independently of the models of conduct which prevail at the summit of state power, and pervade the entire politico-administrative structure.

Let us now examine the vast financial waste of the sugar industry programme (whose accumulated losses amount to hundreds of billions of CFA francs). Although it is several years since this scandal was disclosed, the affair continues to weigh upon Ivorian public finances (debt transfers, subsidies, etc.). No one would contest that it is one of the elements of the crisis. One might think, following a structural approach, that this type of programme (hastily conceived, ambitious, poorly prepared technically, economically and financially) was in some way the inevitable mechanical counterpart of the Ivory Coast's extreme openness to the exterior (which is to say, extreme vulnerability). It clearly represents the kind of risk engendered by the basic orientations of the 'Ivorian system'. But one must also admit that the waste created by the sugar industry programme is especially remarkable in its scope. Yet this does not necessarily appear to be linked to the model of growth; amongst other things, it is to be seen in the context of the political climate reigning during the years of expansion, notably, favourable to misplaced enthusiasms (the desire for economic growth in the northern savannah zones), haste (poor preparation of the dossier), and blindness (errors of foresight regarding world sugar consumption).

This 'affair' indeed comprises a political dimension which comes to overdetermine or to markedly shift the orientations of the Ivorian model,

until now understood strictly on the economic plane. In other terms, in elaborating models of exclusively economic and financial components, the available analyses on the Ivorian crisis reveal the limits of their deductive capacity. The social and political parameters are not reducible to simple external variables, all too conveniently brushed aside; neither do they constitute a simple 'backdrop' with the economic and financial crisis unfolding on the countryside in the foreground, it alone important and worthy of interest. The accountable large-scale developments stressed by interpreters are the economically constructed result of multi-dimensional social practices (systems of action and belief) and indissociable from these systems. This is why the evocation of things which occurred in the 1970s on the plane of politico-administrative behaviour and power relations will allow us to complete the set of internal determinations of the crisis that the identification of an Ivorian model enabled us to put together.

The explosion of patrimonialism

The deficits of the external accounts of the country and of state finances, the breathtaking rise in foreign debt, both essential indicators of the Ivorian crisis and obvious targets for the diverse programmes of structural adjustment,[27] seem more understandable if one recognises the social and political conditions in which these imbalances appeared, and especially the practices which generated them.

Beyond the formal and official institutions, organisational charts, and machinery which serve as supports to the regime, beyond the appearance of behaviour oriented by principles of bureaucratic rationality (in the Weberian sense of the term) or activities deployed according to universalist norms (in the Parsonian sense of the term), we know very well that social and political relations in general, as well as the models of behaviour within or around the state, come under the heading, 'patrimonial'. This latter term covers the clientelism characteristic of relations between persons and groups (relations of dependence generating an exchange between persons or groups controlling disparate but complementary resources) as well as a specific logic of the management of collective or public resources. This logic tends to efface the boundaries ordinarily established by bureaucratic rationality between the domain of the duties of office and the domain of personal affairs, and between the private and public spheres of activities, interests, and patrimony.[28] These classic concepts shed light upon the Ivorian situation. After the pioneering works of A. Zolberg, the analyses of M. Cohen, and the observations of J.-F. Médard,[29] the most interesting later studies of Ivorian political society entirely confirm the good health of the patrimonial system.[30] On the one hand, the whole of society is well and truly framed in a vertical manner by the structure (profusion of networks) of clientelism, and on the other, particularly as concerns the politico-administrative sphere, one observes behaviour whereby public resources give way to quasi-private appropriation.

The majority of the administrative and parapublic positions that carry any weight are allocated according to only vaguely meritocratic criteria, and the operation of the machinery is clearly that of a predatory economy. Yet a very important portion of the Ivory Coast's financial imbalances (and, thus, an essential contribution to the crisis) comes from the public enterprise sector (state firms, public establishments and mixed economy firms), precisely where patrimonialism is found in an almost ideal state. One may, for example, point out that at the beginning of the 1980s more than half of the public external debt was attributable to ten or so parapublic concerns.

Some very appreciable transformations, which have affected this system over the last fifteen years, can be summarised with the following schema. Until the end of the first decade of independence the clientelist structure was of a neatly pyramidal type, tightly run and controlled at the top; thus, for example, the financial monopoly then constituted by the Caisse de stabilisation guaranteed that the central regulation of the patrimonial game was in the hands of the national leader. The rapid accumulation of available funds, brought about by the enhanced value of export receipts and the abundance of foreign credit (to which, notably, the managers of parapublic firms succeeded in gaining direct access) sharply modified this initial configuration. The pyramidal structure was transformed little by little into a segmentary structure, each agent who controlled a network and each holder of a resource in the universe of patronage claiming a growing autonomy.

This process of segmentation reflects the exponential liberation (truly remarkable after 1975) of the strong patrimonial tendencies at work in the Ivorian public sphere. This was precisely when the Ivorian economy became overheated, and was taken over by inflation in all areas: public spending and investment, external debt and internal consumption, imports and deficits, etc. Yet a structural interpretation of a strictly economico-financial nature, even if it does allow for the explanation of the compelling and linear rise in imbalances, only imperfectly accounts for their very strong accentuation in the 1970s. The feverish evolution of the indicators can, by contrast, be easily understood from modifications in the patrimonial formula. The crisis in the Ivory Coast as described in the first part of this study is also, in a certain sense, a crisis of the patrimonial system in its two dimensions: crisis of patronal authority but also crisis of the patrimonial economy.

The principal decisions and public policies that have attracted attention these last ten years, and which can be analysed as so many attempts to revive presidential control, correspond to a recentralisation of the patrimonial regime on the part of its leader. These comprised ministerial changes on 20 July 1977;[31] electoral reform from 1980 with the abandonment of the single national list practised for twenty years and the transition to a semi-competitive regime; numerous modifications in the ruling authorities of the single party at the 1980 and 1985 congresses; the disgrace of the party's secretary-general, its veritable boss, in 1980; successive alterations of the constitutional text in its dispositions governing presidential interim and

succession.[32] Houphouët-Boigny's reorientations aimed to arrest the patrimonial explosion, both cause and consequence of the remarkable increase in public spending. There was also a reduction in positions of power supported by networks of accumulation (of people and wealth) which had profited from the general stability of posts and functions. This evolution finally called into question the highly centralised regulation and unique leadership of the system.

The factional struggles of this period (commonly described as 'the battle of the barons') bear witness to the clientelist and patrimonial acceleration among the political leadership. They also bear witness to the competitive logic which brought about this agitation and which threatened to sweep away *le grand patron* by eroding the core of his institutions. Other 'bosses' had emerged who controlled powerful networks and reigned over fortunes that allowed them also to accumulate resources and followers.

This interpretation implies that many analyses of the Ivorian regime of this period, by emphasising its strong personalisation and its authoritarianism (no doubt still very real), have tended to overestimate the presidential control exercised over the political system.

The various scandals (embezzlement, misappropriation of funds, etc.) since the 'spirit of July 1977' officially opened the fight against corruption (Logemad trial, the dismissal of mayors in large towns such as Man and Korhogo as well as secretaries of party sections, 'scandals' like that of E. Dioulo, etc.)[33] have probably made high officials surrender to the reaffirmed leadership of the Ivorian president, reminding them, if need be, that the means existed to deprive them of benefits that would only be renewed on grounds of proven loyalty.

The very important reforms implemented in the parapublic sector from the summer of 1980 can also be understood as a response to the crisis of authority. The segmentation of patrimonialism had engendered financial excesses under the form of tremendous liberties and liberalities progressively captured by the people in charge of numerous parapublic bodies.[34] The evolution of this sector shows the metamorphosis of the Ivorian patrimonial system and its financial consequences, with practices placing the economy of the country in real peril and justifying the adoption of a particularly drastic structural readjustment programme.

In his battle to reimpose his leadership, Houphouët-Boigny has known how to meet the circumstances remarkably well. In an economic situation of austerity and rigour, he has had the tactical sense to let the electors do some of the 'dirty work', by entrusting them with the task of ousting the extravagant prebendalists of the political class whose stability was threatening the presidential monopoly.[35] He knew how to make 'good use' of the crisis, at a moment when the serious economic disturbances which had been denounced or revealed by financial sponsors provided an opportune pretext for taking the political and financial situation in hand. The coincidence of the political struggle, which aimed towards the domestication of the ruling personnel, and the new requirements of the economic restructuring policy, were not as superficial as might appear. Financial stabilisation and recovery came through the recomposition of the patrimonial system, the redefinition of roles, and through the recentralisation of its regulation. The cause was largely identical (and it is probably this which explains Houphouët-Boigny's responsiveness) to the reforms advocated by the IMF and the World Bank; these also fitted the requirements of his political survival.

The bringing to heel of the country's political class and the drying up of the sources of clientelist enrichment which had put such a heavy strain on national finances constituted two axes of preoccupation. These can explain virtually all of the reforms and reorganisation (and not only at the political level) which have taken place these last few years in the Ivory Coast: the liquidations and reorganisation of public enterprises; the establishment of a strengthened system for their economic and financial supervision; the systematic trimming of management organisational charts in parapublic and administrative structures; the suppression of a variety of important material advantages within numerous parastatal organisms; the suppression of high cost property leases to the administrators (one of the essential sources of enrichment for the Ivorian bourgeoisie); the increased power of the Direction du controle des grands travaux directly attached to the Ivorian presidency and extending its powers over all ministries to the extent that it is generally thought of as a government in miniature; the concentration, also around the presidency, of old and new means of control of government services (financial control, general inspection of public services); the recent decision that the duties of a manager of a company with public financial participation are incompatible with the status of a deputy; the enlargement of the grounds for intervention of the Accounting Office of the Supreme Court; the redefinition of the conditions for granting government backing for loans, etc.

The Ivorian president's plan to regain firm control over the whole of the patrimonial system appears to have succeeded, even if the new austerity and the rationalisation of economic and financial management have necessarily reduced the usual means of presidential patronage. Thus the inclusion in the budget of a growing part of the resources of the Caisse de stabilisation, made inevitable by the financial needs of structural adjustment, has created serious tensions between Houphouët-Boigny and the IMF.[36]

Recourse to the schema presenting the transformations of the Ivorian patrimonial system has permitted us (we hope) to shed more light upon the conditions of the crisis in the country, and better to understand the nature of certain responses to it. But a final qualification is necessary if we are to avoid erecting the patrimonial outline as the exclusive explanation of what has occurred in the Ivory Coast for the last ten or fifteen years. The reality of the crisis quite obviously goes beyond the strictly patrimonial stakes presented above. One of the truths of this crisis is the social violence that it comprises: employment has dropped sharply and state revenue has clearly

diminished.[37] Meticulous inquiries have furthermore shown very clearly the sharp deterioration of the resources of the dominated layers of Abidjan society between 1979 and 1985.[38] There is no need to multiply examples. The crisis defines new (and difficult) modes of sociability, new conditions of social differentiation and distinction, new forms of struggle, new relations to the state, which has until now been the effective instrument of transferring benefits to certain categories of Ivorians.[39] Investigation and interpretation in terms of classes promise a rich inspiration, in an Ivorian society which now faces a crisis of real gravity.[40]

US Foreign Policy (Berkeley–Los Angeles–London: University of California Press, 1985), p. 243.

16 J.-L. Triaud, 'Le Refus de l'état: l'exemple tchadien', *Esprit*, 100 (April 1985).

17 Th. Michalon, 'Le Drame du Tchad et l'héritage colonial de l'Afrique: l'échec de la greffe jacobine', *Le Monde diplomatique*, April 1979.

18 Th. Michalon, 'L'Impuissance d'un état fictif', *Le Monde diplomatique*, September 1983.

19 S. Decalo, 'Regionalism, political decay, and civil strife in Chad', *Journal of Modern African Studies*, 18, 1 (1980), p. 25.

20 Kelley, *A State in Disarray*, p. 2.

5 Côte d'Ivoire: analysing the crisis

1 This impossibility has been officially presented as a 'refusal', and this latter conception has been obligingly taken up in the press: see for example, 'Houphouët refuse de payer', *Jeune Afrique*, 10 June 1987, pp. 28–33.

2 See for example, *Jeune Afrique* of 14 August 1985, p. 17 and *Fraternité-Matin* (government newspaper, Abidjan) of 27 January 1987, p. 1.

3 See for example: S. Calabre, *Prix et conjoncture sur les marchés à terme de produits* (Abidjan: CEDA, distributed by Karthala, Paris, 1985), p. 212. This is one way for the Ivorian government to refuse the 'laws' of a market in which it otherwise believes. The fall of the coffee and cocoa markets is a long way from being expressed in the prices at the time of consumption of the finished product. This phenomenon owes little to the 'rules' of the market, the circuits of processing and marketing being probably responsible.

4 This cry of relief, launched from the Ivorian presidency and embellishing the climate of the October 1985 congress of the PDCI-RDA (the Ivory Coast's only political party), had also been hastily passed on by the French media. See, for example, the issue of *Afrique-Industrie* of 1 March 1986, pp. 16–47: 'Côte-d'Ivoire: la crise est passée'.

5 N. B. Ridler, 'Comparative advantage as a development model: the Ivory Coast', *The Journal of Modern African Studies*, 23, 3 (1985), pp. 407–17. Another example of this type of analysis is furnished by J.-P. Foirry, 'L'Evolution conjoncturelle de la Côte-d'Ivoire de 1960 à 1985: quelques facteurs explicatifs de la crise actuelle', *Le Mois en Afrique* (April–May 1986), pp. 70–80.

6 See notably J.-P. Foirry, 'L'Evolution', who speaks of a 'counter-cyclic policy' for the refusal of Ivorian authorities to take measures checking economic activity during the 1978–80 period of sharp market downturns.

7 J.-P. Foirry, 'L'Evolution', for example, points out that the debt increase could have been mastered if the Ivorian government had decided upon a limitation of imports at the first signs of a perceptible downturn in the commodities market.

8 B. den Tuinder, *Ivory Coast. The Challenge of Success*, Report of a mission sent to the Ivory Coast by the World Bank (Baltimore and London: The Johns Hopkins University Press, 1978), p. 445.

9 *Ibid.* p. 188.

10 République française, Ministère de la coopération (G. Duruflé, coordinator of the study), *Déséquilibres structurels et programmes d'ajustement en Côte-d'Ivoire* (Paris: 1986) many graphs, multiple pagination. This voluminous report is the most detailed and best elaborated analysis of Ivorian economic developments.

11 On this last point, see L. Gouffern, 'Les Limites d'un modèle', *Politique africaine*, 6 (May 1982), pp. 19–34, for detailed reasons (corruption, over-protectionism in certain sectors, guaranteed incomes, etc.) for the non-competitiveness of Ivorian manufactured products.

12 For urban housing as a sector highly subsidised by the state to the benefit of the middle stratum of Ivorian society (it has been calculated that the standard financial liability assumed

by the state could reach close to 60 per cent of construction costs), see in particular: P. Haeringer, 'Vingt-cinq ans de politique urbaine à Abidjan ou la tentation de l'urbanisme intégral', *Politique africaine*, 17 (March 1985), pp. 20–40; and A. Manou Savina, P. Antoine, A. Dubresson and A. Yapi Diahou, 'Les En-haut des en-bas et les en-bas des en-haut. Classes moyennes et urbanisation à Abidjan', *Tiers monde*, 26, 101 (March 1985), pp. 55–67.

13 G. Duruflé, *Déséquilibres structurels*, p. 41.

14 *Ibid.*, p. 45.

15 S. Amin, *Le Développement du capitalisme en Côte d'Ivoire* (Paris: Les Editions de Minuit, 1967).

16 L. K. Mytilka, 'Foreign business and economic development', in I. W. Zartman and C. Delgado (eds.), *The Political Economy of Ivory Coast* (New York: Praeger, 1984), p. 255.

17 B. K. Campbell, 'The fiscal crisis of the state, the case of the Ivory Coast', in H. Bernstein and B. K. Campbell (eds.), *Contradictions of Accumulation in Africa* (Beverly Hills: Sage, 1985), pp. 267–310; and the same author's 'Crise fiscale et endettement. Le cas de la Côte-d'Ivoire', *Interventions économiques*, 16 (1986), pp. 95–110.

18 For the theoretical description of these mechanisms, see S. Amin, *Accumulation on a World Scale* (New York: Monthly Review Press, 1974), and for an application to the Ivory Coast, see Amin, *Le Développement*, pp. 269ff.

19 D. Bra Kanon, *Développement ou appauvrissement* (Paris: Economica, 1985), pp. 29ff., advances the argument of the general inflationary situation to justify the considerable investments decided upon in the Ivory Coast in the 1970s and 1980s. Apart from its obvious legitimising function (Bra Kanon is the Ivorian Minister of Agriculture), the reasoning is often sound.

20 Cf. in particular Duruflé, *Déséquilibres structurels*, pp. 24ff.

21 Cf., for example, W. F. Steel and J. W. Evans, 'Industrialisation in Africa south of the Sahara' (Washington: World Bank technical document, no. 25F, 1984), p. 103.

22 This analysis is the object of a work carried out in association with B. Contamin, an economist at the Université de Pau (France), being published.

23 This last stumbling block is made quite evident in the work of G. Duruflé and that of B. K. Campbell. But we see in this an obstacle that comes under the sub-Saharan model, not typically Ivorian.

24 And in particular J.-P. Foirry, 'L'Evolution', p. 75.

25 J.-P. Foirry, 'L'Evolution', p. 75, shows, for example, that while in 1973 91.7 per cent of the service sector's purchases took place in Ivory Coast, in 1978 those same purchases in the country represented no more than 38.1 per cent of sector purchases. The analysis of this phenomenon of increasing import content in the production process is meticulously undertaken by Duruflé, *Déséquilibres structurels*.

26 These figures are taken from G. Ancey, 'Analyse régionale des actions de l'Etat', *Revue économique et financière ivoirienne*, 16 (1981), pp. 10–15.

27 These are the rehabilitation and recovery plans implemented over the last few years in the Ivory Coast, adopted with (or under pressure from) international financial backers: recovery programme for the '*Fonds fiduciaire*' (1978/9); the enlarged credit term agreement with the IMF (1981/3); the structural adjustment loans (SAL) from the World Bank: SAL I (1981), SAL II (1983), SAL III (1986); confirmation agreement with the IMF (1984), to which one may add the loans concluded with the *Caisse centrale de coopération économique* (CCCE-Paris) in 1982, 1983, 1984, etc.

28 On clientelism and (neo) patrimonialism applied to a political analysis of Black Africa, see J.-F. Médard, 'The underdeveloped state in tropical Africa: political clientelism or neo-patrimonialism?' in C. Clapham (ed.), *Private Patronage and Public Power: Political Clientelism in the Modern State* (London: Frances Pinter, 1982) which refers to numerous works on the subject.

29 A. Zolberg, *One Party Government in the Ivory Coast* (Princeton: Princeton University Press, 1964); M. Cohen, *Urban Policy and Political Conflict* (Chicago and London: The University of Chicago Press, 1974); J.-F. Médard, 'La Régulation socio-politique', in Y.-A. Fauré and J.-F. Médard, *Etat et bourgeoisie en Côte-d'Ivoire* (Paris: Karthala, 1982), pp. 75ff.

30 L. Sylla, 'Genèse et fonctionnement de l'etat clientèliste en Côte-d'Ivoire', *Archives européennes de sociologie*, 1 (1985) pp. 29–57, and especially E. Terray, 'Le Climatiseur et la véranda', in *Afrique plurielle, Afrique actuelle, Hommage à Georges Balandier* (Paris: Karthala, 1986), pp. 37–44, in which the author metaphorically (and quite nicely) denotes two coexisting 'systems of government': in the second, 'the State appears as a conglomerate of positions of power whose occupants are in a position at the same time to assure themselves of substantial revenues and to spread around situations, prebends, bonuses and services' (pp. 38–9). Instructive annotations follow that admirably describe the diverse patrimonial manners of decision and action at the summit of the state.

31 This was the most important governmental reshuffle since independence seeing that the holders of the principal portfolios (Economy and Finance, Plan, Agriculture, Foreign Affairs, etc.) were dismissed. Numerous less profound modifications have also taken place in the governmental teams.

32 For a more precise description of Ivorian political interplay since 1980 see the chronicles of J.-F. Médard, 'Jeunes et aînés en Côte-d'Ivoire', *Politique africaine*, 1 (January 1981), pp. 102–13; and Y.-A. Fauré, 'Nouvelle donne en Côte-d'Ivoire', *Politique africaine*, 20 (December 1985), pp. 96–109.

33 In such a system, these 'affairs' cannot but be orchestrated at the highest level. The disclosure of a scandal in a regime notably characterised by an official press is in itself a strictly political decision and necessarily controlled; the supervision of the denunciation, which signals the abandonment and disgrace of the agent, presupposes a centralised control such that the tightness and homogeneity of the ruling class not be threatened. Moreover, this is why certain procedures have been stopped before running their course.

34 Notably as regards recruiting, remuneration, allocations, material advantages, mode of management, etc. done on criteria and at levels extremely remote from those of administration strictly speaking.

35 The 'electoral opening up' of 1980, too commonly presented as an act of democratisation, has in reality been a true purge of the political personnel: consequently, renewal rate from the ballots in 1980 and 1985 has been successively 82 per cent and 65 per cent. The 'electoral body' has thus been an efficient instrument of presidential policy.

36 The IMF *Bulletin* of 3 December 1984, pp. 357–61, gives a very suggestive (but very partial) idea of this tension.

37 Between 1979 and 1984 total employment in the modern sector dropped 30 per cent and the decline has continued (Banque des données financières, Abidjan, *Centrale des bilans*, 1979 and 1984); as for revenues, we note that if the average annual growth of monetary revenue had been 3 per cent during the period between 1969–78, from 1978 to 1983 the decrease of this revenue calculated on the basis of 1965 has been of an average of 5.5 per cent by year (G. Duruflé and J.-L. Martin, *Evolution et répartition des revenus en Côte-d'Ivoire* (Paris: SEDES, 1984), pp. 41 and 42.

38 Cf. C. Vidal and M. Le Pape, *Pratiques de crise et conditions sociales à Abidjan* (Abidjan: ORSTOM and CNRS, 1986), many graphs, p. 102.

39 See, in particular, the analyses of Duruflé, *Déséquilibres structurels*, and Campbell, 'The fiscal crisis', to which we subscribe on these points.

40 See the J. Copans–R. Sandbrook debate (the latter accused by the former of an exclusively political analysis and an abandonment of class analysis) in *Politique africaine*, 26 (June 1987), pp. 2–14 and 38–40.