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Dependency in international regimes: the case of the apparel industry in sub-Saharan Africa

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This paper shows the relationship between regime and dependency theories. Its central argument is that international regimes primarily serve the accumulation interests of metropolitan capitalism, and hence perpetuate dependency. Using the case of the apparel industry in sub-Saharan Africa, it brings to the fore both the dependency and struggle in international regimes that mainstream regime theory masks. The paper concludes that, in its struggle to embed industry, Africa will need to clearly interpret the parameters of a more complex international political economy than that described in the classic dependency literature of the 1970s, and respond to them with cleverness and alacrity.

Keywords: regimes; dependency; apparel; agency; structure; struggle; sub-Saharan Africa

Cet article montre la relation entre les théories du « régime » et de la « dépendance ». Son argument central est que les régimes internationaux servent en premier lieu à l'accumulation des intérêts du capitalisme citadin, et font donc perdurer la dépendance. Sur la base du cas de l'industrie textile en Afrique, l'article met en exergue à la fois la dépendance et la lutte dans les régimes internationaux masqués par la théorie dominante du régime. L'article conclut que dans sa lutte pour une industrie intégrée, l'Afrique va devoir clairement interpréter les paramètres d'une économie politique internationale plus complexe que celle décrite dans la littérature classique de la dépendance des années 70, et y répondre avec intelligence et rapidité.

Mots-clés : régimes ; dépendance ; textile ; agence ; structure ; lutte ; Afrique subsaharienne

Introduction

The most accepted definition of international regimes in mainstream regime theory defines them as the explicit and implicit principles (beliefs of fact, causation and rectitude), norms (standards of behaviour defined in terms of rights and obligations), rules (specific prescriptions or proscriptions for action) and decision-making procedures (prevailing practices for making and implementing collective choice) around which actor expectations converge in a given issue area (Krasner 1982a, 1983), where an issue area is 'an organised or partially organised system of interaction' (Cox 1972, 207). In my view, an international regime is partly a designed institutional structure and partly an emergent social institution of transnational scale that creates order at that level, on the premise of the absence of a sovereign

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transnational order. In general, rules and procedures emanate from the design facet of regimes, while principles and norms guide both design and emergence.

While mainstream regime theory offers useful insights into the nature of international regimes, it has been inadequate in bringing out the dependency embodied in them, and the struggles within them. This is because first, although it recognises emergence in regime formation (for example Young 1982), it focuses on agency, and hence lacks theoretical clarity on regimes as objective structures that perpetuate dependency. Second, international relations theory, which gives rise to regime theory, equates dependency with structuralism, and hence masks the struggle within regimes. In my view, to understand dependency and struggle in regimes, we need a structure–agency analysis within a regime–dependency synthesis.

Indeed, the structure–agency relationship is one of the key problems in social science, and it arises in a very interesting way with respect to our topic. This is because the relationship is not only a central problem with respect to our specific requirements in constructing a theoretical framework for this paper, but also because it has more general implications for an understanding of the international political economy (IPE) in a wider sense. In this paper, I will argue that elements of both structure and agency exist on both sides of the regime–dependency divide. By grasping these relationships, we will be able to map them out, thus enabling us to construct a link between the two.

After showing how the concept of regimes has been understood in mainstream international relations theory, and summarising dependency theory, I will present the agency–structure dimensions in dependency and in regimes. My aim will be to emphasise the place of agency in dependency, and that of structure in regimes. I will then present the case of the apparel industry in sub-Saharan Africa (SSA) in order to demonstrate my argument for the existence of dependency relationships and struggle in international regimes. I will close the paper with a conclusion on the implication of our theorisation on industrialisation in SSA.

Regime theory

International relations theoreticians' views on the significance of international regimes vary. According to Hasenclever, Mayer, and Rittberger (1997), there are three main schools of thought: realist, neoliberal and cognitive.

Using an illustration of a billiards table, the authors show that realists focus on power relationships, and assume that states care for both absolute and relative gains. They hold a minimalist view of causal significance of international regimes (Hasenclever, Mayer, and Rittberger 1997). However, as Krasner (1982a) clarifies, the billiards table is the traditional realist view; it assumes only relative state gains and has almost no regard for regimes. He shows that the view that assumes both absolute and relative state gains is actually neo-realism. He contends that, while in both images the outcomes are a function of the distribution of power in the system, the former is concerned solely with political interactions among states, while the latter is concerned with the impact of the distribution of state power on various international environments. In this latter model, using a model of tectonic plates, Krasner asserts that conflict is not ignored, but that the world is not zero-sum. Relative power is not the only state objective. Other objectives such as economic wealth could be ends in themselves; hence one plate is the distribution of power among states, the other international regimes. In agreement with Krasner, Gilpin avers that under neo-realism, initially popularised by Waltz (1979 cited in Gilpin 2001, 17), 'although the state is the primary actor in international affairs, realism should acknowledge the importance of such

non-state actors as multinational firms, international institutions, and non-governmental organisations in the determination of international affairs.'

Neoliberalism is the mainstream approach to regime theorisation. Neoliberals focus on individual interests, and see states as egoistic actors who care only for their absolute gain. Thus, while not completely turning a blind eye to the effects of power differentials, they nevertheless emphasise the role of international regimes in solving 'prisoners' dilemma' problems. In their view, international regimes are both effective and resilient (Hasenclever, Mayer, and Rittberger 1997).

Cognitivists focus on knowledge dynamics, communication and identities, and therefore accentuate the role of causal as well as normative ideas. The strong version of this asserts that neoliberals provide only a truncated picture of the sources of regime robustness by failing to recognise the repercussions of institutionalised practices on the identities of international actors. Consequently, their embrace for institutionalism is much broader than realists and neoliberals; they emphasise that international regimes can be interactive (Hasenclever, Mayer, and Rittberger 1997). The relationship among these three schools is best summed up by Haggard and Simmons (1987, 492):

Regime analysts assumed that patterns of state action are influenced by norms, but that such norm governed behaviour was wholly consistent with the pursuit of national interests. Hence, the regimes literature can be viewed as an experiment in reconciling the idealist and realist traditions.

And what is the source of international regimes? According to Krasner (1982b), international regimes stand between basic causal factors and related outcomes and behaviour, acting as a function of five basic causal variables: egoistic self-interest; political power; diffuse norms and principles (that influence a particular international regime in a particular issue area yet such norms and principles are not directly related to the issue area); usage (regular patterns of behaviour based on actual practice) and custom (long-standing practice); and knowledge.

The first two causes are the most discussed in international relations theory, and hence the ones that we will consider. Egoistic self-interest, usually economic, is the most dominant. Young says it takes three forms of calculation. It may be a spontaneous process that in turn gives rise to spontaneous emergence of regimes: 'the product of the action of many men but . . . not the result of human design' (Hayek 1973 cited in Young 1982, 282). Such regimes do not involve conscious coordination among participants, do not require explicit consent on the part of the subjects and are highly resistant to social engineering. In contrast to spontaneity, international regimes may spring from a process of negotiation, giving birth to negotiated orders characterised by conscious efforts to agree on the major provisions, explicit consent on the part of individual participants and formal expression of the results. Negotiated orders could be constitutional contracts (where subjects are directly involved) or legislative bargains (subjects do not participate directly but are represented) (Young 1982). A third calculation is imposed orders. According to Young, these orders are fostered deliberately by dominant actors/consortia of actors, do not involve explicit consent and work effectively in the absence of formal expressions. This can take overt hegemony or de facto imposition.

Turning to political power, this could be either cosmopolitan and instrumental or particularistic and potentially consummatory. In the former, associated with neo-classical economics, it is argued that power secures optimal outcomes for the system as a whole, where, according to Adam Smith, it is necessary for the state to provide certain collective goods,

such as defence, order, protection of infant industries, minimum welfare, public works, standards for commodities and property rights. In the latter, power is used to maximise the interest of specific actors, usually states, within the system (Krasner 1982b).

The gist of the critique of regime theory is as follows. From within, cognitivists critique the realist and neoliberal outlooks for being state centred, presuming unified rational actors and downplaying ‘the central insight of interdependence theorists: foreign policy is integrally related to domestic structures and processes’ (Haggard and Simmons 1987, 499). Similarly, Buzan (1993) adds that in over-focusing on the particular and the rational, regime theory loses sight of some broader normative and legal elements on which regimes rest.

But cognitivists have been criticised as well. According to Humphreys (1996, 92), their ‘focus on the role of consensual knowledge in determining actors’ perceptions and belief structures’ means they

cannot predict at what point consensual values or knowledge will produce cooperation. Consensus still may not overcome problems of collective action . . . The generation of new knowledge just as easily might render a game less cooperative by exposing new incentives to defect. (Haggard and Simons 1987, 510)

My overall view – which is rooted in dependency – is that elite international regimes primarily stem from capitalism’s desire to design superstructures to solve international ‘prisoners’ dilemma’ problems that threaten capital accumulation. Thus, they are generally oppressive. And while the spontaneous popping-up of true commons regimes is not intended to be oppressive, it is commonplace for capitalism to hijack such regimes and turn them oppressive. In a sense, Young (1982) shoots himself in the foot. Having argued for spontaneity as yielding the best outcomes, he adds that international regimes do not necessarily need to yield equity, for even spontaneous orders involve intense power struggles, as the dominant actors finally co-opt other actors and drive the spontaneity in the direction that best suits them. In a word, international regimes are seldom developed under a veil of ignorance, as he concedes.

In this regard, my own critique on forms of calculating egoistic self-interest is that we need to be careful not to overemphasise spontaneity because, while emergence of some regimes (mainly commons regimes) is mainly spontaneous, that of elite international regimes is often weakly emergent. We also need to note that effective negotiated orders characterise elite international regimes only from the North’s perspective. Lastly, imposed orders are a characteristic of elite international regimes from the perspectives of both the North (hegemony) and the South (hegemony and imposition). The other clarification is on political power as a source of regime: both forms of such power – cosmopolitan and instrumental or particularistic and potentially consummatory – characterise elite international regimes.

Dependency theory

I take the general understanding of dependency theory as defined by Dos Santos (1970, 231): ‘a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected.’ I clarify this because it is obvious that the theory has never been homogeneous, and Hoogvelt’s (1982) discussion of the relationship between different tendencies within the dependency school clearly indicates this. However, there are key authors who can be considered to define the dependency trend (or who were its precursors, or who dialogued with it in a

constructive way). They include Samir Amin, Andre Gunder Frank, Fernando Henrique Cardoso, Walter Rodney and the group clustered around the journal *Monthly Review* (led by Paul Baran and Paul Sweezy), as well as those who shared many common concerns with it, such as Arghiri Emmanuel.

According to Chicolte (1978), early *dependentistas* are represented by Raul Prebisch and the United Nations Economic Commission on Latin America. These pushed for import-substitution industrialisation and the establishment of an infrastructure essential to heavy industrialisation. Their hope faded when multinational corporations rapidly penetrated into production for local markets in the periphery. Marxist *dependentistas* also attacked them for being intransigent by undermining working-class interests through reformist policies and bourgeois alliances as well as postponement of socialism. The next stage was to define dependency as development of underdevelopment by such theorists as Frank (1967) and Rodney (1972). Frank's thesis was particularly attacked for lacking a class analysis, emphasising external considerations at the expense of internal class struggle, seeing dependency as static and persistent and lacking specificity to operationalise the term dependency. In the third stage, by incorporating Leninism, theorists such as Cardoso (1972) explicitly related imperialism theory to dependency. In stage four, Cardoso (1973) showed that development and dependency are compatible in some situations.

Ultimately, Chicolte goes on, there emerged two sets of writings on dependency. The bourgeois view is concerned with reforming capitalism through understanding of and struggle with dependency to bring about independent national development, ultimately bringing autonomy to the national bourgeoisie class as the dominant class that promotes the interests of the nation within a pattern of dependent development. The state, in turn, serves the nation in the struggle to eliminate dependency. This is the view Tausch presents as the quantifiable essence of dependency, as summarised by Cardoso:

- There is a financial and technological penetration by the developed capitalist centres of the countries of the periphery and semi-periphery.
- This produces an unbalanced economic structure both within the peripheral societies and between them and the centres.
- This leads to limitations on self-sustained growth in the periphery.
- This favours the appearance of specific patterns of class relations.
- These require modifications in the role of the state to guarantee both the functioning of the economy and the political articulation of a society, which contains, within itself, foci of inarticulateness and structural imbalance. (Tausch 2010, 468–469)

The Marxist view aims for an elimination of dependency through the struggle of workers who supplant the private owners of the means of production – a struggle that necessarily bring them into conflict with the national bourgeoisie and to the destruction of the capitalist system. The state serves the ruling class in preservation of capitalist development and national dependence.

Since both views affirm that struggle is necessary, and given the complex twenty-first-century global capitalism, I will argue that the struggle of both bourgeois and workers is necessary. Also, while the fact that the state serves the ruling class means that dependency cannot be eliminated, a country can still seek to be less dependent in such circumstances. This paper focuses on an analysis of the agency role of the Northern state in promoting dependency and the struggle of the African state with dependency. While, in my view, this would yield dependent and not independent national development as the bourgeois

view would have it, it might not only aid African countries in their struggle to be less dependent but also set the conditions right for a greater participation of workers in the Marxian struggle to eliminate dependence.

In the next section, I emphasise the place of agency in dependency, something that has been downplayed, sometimes even ignored altogether, by mainstream international relations theory. I will also emphasise the place of structure in regimes, based on the fact that the neoliberal approach to regimes downplays it.

Agency in dependency theory, structure in regime theory

In the international relations literature (for example Hout 1993), dependency theory is often equated with structuralism. This is too simplistic, however. Most fundamentally, Marxism, from which the dependency perspective derives its source, has always been opposed to determinism (Marx 1947 [1865]); the objective features of the mode of production constitute a basis upon which struggles occur. The struggles are purposive, but not in a merely idealistic sense: they seek to respond to, and develop, in an open-ended way, the possibilities inherent in a particular objective situation. Structure, therefore, does not define the outcome in any determinist sense, but it does provide the starting point for an understanding of the role of agency.

Of course, it is true that twentieth-century forms of Marxism did sometimes fall into determinism, notably the mainstream Soviet trend. However, the key authors mentioned above very much demarcated themselves against the mainstream Soviet orthodoxy. As with Marxism, the dependency emphasis was very much on objective circumstances as an invitation to struggle.

As an example, we could mention Frank's (1978) treatment of eighteenth-century India, early nineteenth-century Egypt or mid nineteenth-century Latin America as an arena where social forces could seek to grab some autonomy in relation to the international organisation of production and trade (a mode of organisation dominated by the systemic core, but a domination which could be challenged). It is true that dependency relationships also explain why such struggles might well be defeated, but there is nothing to say that in a new set of circumstances, such as the world of twenty-first-century international regimes which we are addressing in this paper, countries could not take advantage of the new set of circumstances offered, and escape in the direction of becoming less dependent. In his original formulation of dependency, Dos Santos did after all say that the structural relationships create effects upon the periphery which might be positive ones (Dos Santos 1970).

In Dos Santos' argument it is true that, the stimulus being external rather than endogenous, the periphery's position might appear somewhat passive. But if we incorporate the role of agency, fundamental to the Marxian origins of dependency, we can arrive at a situation where the shifting global power balance may open up (and of course slam shut) windows of opportunity. In this context, it is interesting to consider a creative development of dependency thinking on the part of South Korean scholars in a work edited by Kyong-Dong Kim (Kim 1987a). In particular, Young-Ho Kim synthesised dependency and modernisation theories in an economic model that showed the 'spreading' and 'backwash' effects of capitalism in the South and, in fact, 'neither of the [effects] is likely to exist alone without the other.' They 'will also co-exist and interact with each other on a short term basis' but eventually 'they will show a clear tilt either towards dependency or development' (Kim 1987b, 182, 199).

This is one of the most concrete illustrations of the mix of impacts that the capitalist structure has on the periphery, encompassed in Dos Santos' definition of dependence.

And the ‘terms should not necessarily be equated with “good” and “bad”’: “spreading” means breaking up traditional structures, which can be “bad”, but it can also mean the growth of local capitalism, which ... [can be] something “good”” (Biel 2000, 202). Behind these spreading/backwash outcomes, there were actually two different imperatives: the political necessity, part of the Cold War, of permitting some autonomous capitalism in Asia, and the economic one of subcontracting manufacturing of cheap consumer goods to the region. However, since imperialism is incapable of smoothly bringing the two together, the hole was sealed by Newly Industrialised Countries (NIC) elites taking advantage of the situation and partly driving NIC development in their own direction (Biel 2000).

Thus, the key issue remains the role of agency within the dialectical relationship between the ‘backwash’ facet of dependency, which sucks value into the core, and its ‘spreading’ facet, which creates development opportunities. This is highly relevant to this paper, because it may precisely be the regimes as emergent structures which open the windows of opportunity for the agency role of the dependent state, and make ‘spreading’ possible (see also Biel 2006).

When we turn to regime theory, we find the opposite problem: a weak theorisation of the structural dimension of regimes by the mainstream neoliberal regime theory. However, here too, I would argue, there are elements of both structure and agency, of intentionality and emergent, self-forming order. The starting point is to recognise a fundamental ambiguity in the usage of the term ‘regime’, that the two forms the term decomposes into are in fact both centrally relevant to this paper and that they are situated in different regions of the structure–agency spectrum.

On the one hand, we have regimes whose essential characteristic is precisely that they embody spontaneous emergent order; they ‘happen’ as a result of complex processes of social interaction, rather than being designed. This captures Young’s (1982) spontaneous regimes. Commons regimes are the classic case: they have existed historically, and continue spontaneously to pop up today in response to challenges of resource management, as shown by Bollier (2003), Dolsak and Ostrom (2003), Ostrom (1990) and Ostrom, Walker, and Gardner (1992). The cement which makes regimes work is typically an informal set of rules and practices; these may in many cases be translated into formal rules too, but the latter often do not capture the regime’s soul or essence. An ‘institution’, in the special way the term is used in the institutional theory applied in this paper, can well be informal. By and large, this structural dimension of regimes has been neglected by the mainstream neoliberal theorisation.

On the other hand, we have designed institutions which incorporate a strong degree of agency. This captures Young’s (1982) negotiated and imposed regimes. It is the broad understanding of international regimes within mainstream international relations theory, particularly emphasised by neoliberals.

Owing to this ambiguity, mainstream regime theory has not clearly shown how the two definitions should relate. Therefore, we need to consider whether there is a common area of overlapping meaning shared by the two definitions. I believe that there is.

Most obviously, regimes reveal and, indeed, prove the existence and viability of a non-Hobbesian form of societal order formation: their rules are observed not (or at least not exclusively) because of sanctions which enforce them, but because they are useful to the participants. Thus, alongside grassroots commons regimes, we find more elite-driven examples which at the same time can legitimately be said to manage a ‘commons’, in the sense of some good which is of value to the participants. These could include not only those institutions which survived the demise of the League of Nations (Universal Postal Union, Intercontinental Maritime Consultative Organization) but also structures

represented by such institutions as the General Agreement on Tariffs and Trade (GATT)/World Trade Organization (WTO), European Union (EU) Preferential Trade Agreements (PTAs) and the African Growth and Opportunity Act (AGOA). Take the GATT/WTO. Something was needed to regulate trade, and GATT somehow evolved to fulfil this function, and proved quite resilient. Of course, the GATT rules were formal, but still a strong case can be made that there is an informal set of procedures, customs and practices which are at least as important as the formal rules, and could well be argued to partly explain its institutional resilience.

We now need to demonstrate the agency role of the Northern state in promoting dependency, and the struggle of the African state with dependency, within apparel international regimes as objective structures.

The apparel industry in sub-Saharan Africa, dependency and struggle

International regimes in the apparel industry in sub-Saharan

There are three main international regimes in the apparel industry in SSA. The first is the structural regime on production and trade in apparel. Under protection in the late nineteenth century, the United States (US) textile-apparel industry began to challenge the then leading British industry. The Great Depression forced trade in the sector in these two leading countries to slow down, giving Japan some leeway. The United Kingdom (UK) used the imperial 'preferences' system to manage the Japanese threat, while other affected countries used quotas. On its part, the US in 1936 forced Japan to 'voluntarily' restrain its exports. By the 1950s, these restrictions had been extended to Eastern Europe and a few other countries in the South (Cline 1987). US restrictions on Japanese cotton textile-apparel exports were renewed in 1955 and 1957. In 1959, India, Pakistan and Hong Kong were also forced by the UK, under the Lancashire Pact, to restrict their exports. Other European countries used Articles XII and XXXV of the GATT to impose these restrictions. When Hong Kong was 'asked' to restrain itself by the US, it refused, forcing the US to push through the GATT for the Short Term Arrangement of 1961, followed by the Long Term Arrangement in 1962 (Aggarwal 1985). The latter was extended for three years in 1967 and for another three years in 1970 (Das 1998). However, the US restricted manmade fibre and wool-based products too. Diversion of exports to Europe exerted pressure on Europeans to agree to the comprehensive Multi Fibre Agreement (MFA) (Cline 1987), which came into effect on 1 January 1974.

The MFA was extended for four years in 1977 (MFA II), renewed for another five years in 1981 (MFA III) and, in 1986, extended through 1991 (MFA IV). Finally, it was renewed indefinitely in 1991 (MFA V) pending the outcome of the Uruguay Round (Das 1998). The Round mandated a transitional Agreement on Textiles and Trade to phase it out between 1995 and 2005. The post-2005 relative liberalisation led to an export surge from the world's leading supplier, China. The North managed this by introducing safeguard measures against Chinese textile-apparel, under China's WTO accession protocol, whose main provisions expired on 1 January 2009.

The systemic structure broached above was dovetailed into regional spheres of accumulation, which stem from a development in 1965 (Kennedy Round) when the GATT formally recognised a Generalised System of Preferences (GSP) under Article XXXVI: 8. However, GSPs excluded textile-apparel products. These were among 'sensitive' products policed through closely monitored bilateral PTAs that were more detailed than the GSP because of the threat of Southern accumulation that they posed.

Thus, the second main international regime in the apparel industry in SSA is the EU PTA. The historical basis of the EU-based regime is as follows. Building on technical aid programmes towards African, Caribbean and Pacific (ACP) countries initiated by the Treaty of Rome (1957), Yaoundé I Convention (1963) and Yaoundé II Convention (1969), the EU developed its GSP under Lomé I Convention (1975), renewed as Lomé II Convention (1979), Lomé III Convention (1984) and Lomé IV Convention (1990). The conventions offered 'preferential' quotas and duty reduction of ACP apparel imports. While the requirements for most products were generally restrictive, those for 'sensitive' products (essentially apparel) were the most restrictive, requiring a double transformation Rule of Origin (see Gibbon and Ponte 2005, 52).

In 2000, the Cotonou Agreement replaced Lomé Convention IV. The agreement set a 'legal' basis to initiate fresh negotiations between the EU and ACP countries that are non-Least Developed Countries (LDCs). The negotiations were to culminate in the establishment of Economic Partnership Agreements with various groupings of such ACP countries by 1 January 2008. This means that, since the Agreement was a transitory one, SSA continued to trade more or less under Lomé IV rules. In any event, the Economic Partnership Agreements are yet to materialise for most ACP members.

The third and final international regime in the apparel industry in SSA is AGOA. The basis of the US-based regime is the US GSP, which was instituted in 1976. With regard to SSA, until 2000 48 countries enjoyed 'preferential' access to the US market. They would pay essentially zero tariffs but were subjected to a battery of conditions; *inter alia*, duty averaging 17% of landed value (for apparel products). This GSP was improved by AGOA, effective from 1 October 2000. The Act added to the GSP approximately 1800 duty-free product tariff lines, among them those on apparel, to make a total of approximately 7000 product tariff lines at present. Apparel became the most important export to the US, partly because of the high duties imposed earlier on (McCormick, Kamau, and Ligulu 2006). AGOA was initially to run through to 30 September 2008, but has now been extended to last up to 2015 (see US Congress 2000, 2002, 2004, 2006). One of the most notable AGOA provisions allows preferential access to the US for apparel assembled in SSA using yarns and fabrics sourced from any country in the world, subject to a limit. This provision is renewed every three years or so, and the latest extension lasts through 2015 – the same time other AGOA provisions expire.

It is crucial that I emphasise the point on the interplay of agency and spontaneous emergence in regime formation and evolution. A spontaneous response to the protectionism arose where some Asian countries applied false labelling (to change the apparent country of origin) and/or relocated some production to non-MFA signatories or countries whose quotas were not fully utilised (Dicken 2003). However, this was short-lived: soon central capitalism was in control of profits in the sector once again through brand identities and re-technologising the industry (Biel 2000). In Germany, for instance, physical capital per employee increased considerably faster for the apparel industry than for the manufacturing sector as a whole between 1970 and 1984 (Spinanger 1992). In addition to branding, from the 1980s the neo-statist regimes – in SSA the EU PTA since the 1980s and AGOA since 2000 – arose spontaneously to counter the threat of the efficiency of the Asian industry following its spontaneous expansion. EU PTA was responsible for the first main wave of apparel exportism in SSA. AGOA ushered in the second. These regimes received a boost from Northern state agency, in the form of government policy on outsourcing of the most labour-intensive aspects of production, while retaining the higher added tasks. In the US, this 'served to undercut the protectionist coalition that had sustained the MFA up until this point' (Heron 2006, 5).

Thus, it is because of the interplay of agency and spontaneous structural evolution, rather than either of them, that the continued existence of these three regimes is explained.

Dependency, struggle and the apparel industry in sub-Saharan Africa

The main proposition advanced by this paper is the need to bridge our understanding of regimes and the dependency debate. Central to this proposition is the argument that, although structures such as GATT/WTO, EU PTA and AGOA operate as internal commons of the core participants, their operation is quite different with respect to the more peripheral countries: in this case, they may well embody, and act as instruments of, the will of the core to dominate the system. In this context, it is extremely interesting to consider the 'system of rules' governing the international textile-apparel trade, in its various incarnations from the 'voluntary' export restraints imposed on Japan by the US in the 1930s to those placed on China by the EU and the US today. Arguably, this is an act of pure instrumentality on the part of the historic core: rather than permit an international division of labour to self-engineer along the lines predicted by Ricardo's liberal theory, instrumental barriers are created to channel the system's self-ordering in a direction conducive to the historic core's interests (Ricardo 1951). These incarnations of the international textile-apparel trade could be called a regime mainly in the colloquial sense of a system of governance but, in the more technical sense employed in regime theory as applied in this paper, they are a regime only inasmuch as they articulate the agreed collective interests of the core countries.

Similarly, the EU PTA and AGOA are reflections of, respectively, the EU state-centric regime of the EU countries and the US state-centric regime of actors within the US. They are international regimes because, although the bargaining process is domestic, the scale of articulating them is international. In this case, ACP countries are mere regime 'takers', a fact that mainstream international relations has, with candour, conceded (see Ruggie 1982). Take AGOA: Heron (2002) shows that the US-based regime, which is reflected in SSA by AGOA, comprises mainly the associations of the textile-apparel industry, one internationally oriented and representing the interests of retailers and apparel manufacturers, the other domestically oriented and representing the interests of textile manufactures and labour and other 'special interest' actors. It is an emergent structure because it arose as a spontaneous response to the emergence of original equipment manufacturing firms in Asia, who became the main suppliers of US retailers. However, this spontaneity was hijacked by actors who actively designed AGOA. Even in the designing of these rules, though, Heron is clear that the process was an emergent one, full of uneasy compromises, with the domestically oriented players emerging as the eventual winners.

The use of neo-statist regimes to engender industrial development in SSA, however, never worked: Asian countries were either using SSA as a transshipment point for exports destined to the North (especially the US) or as a temporary production site. In Kenya, for example, capital from India, Pakistan and Sri Lanka was responsible for the growth of its apparel industry in the early 1990s (Government of Kenya 2000). Similarly, two investment waves from Sri Lanka and India in the early 2000s were responsible for AGOA's positive supply response from the country. Further, in 2003, 55% of Export Processing Zones apparel firms were owned by South Asians (India, Sri Lanka and Bangladesh), 21% by East Asians (Taiwan, China and Hong Kong) and a further 6% had Asian shares (Export Processing Zones Authority 2003).

It is important to note that in the dependency analysis, the default position might well be for even a self-engineering international division of labour to reproduce the unequal

structural relationships which were (owing to colonialism) placed at its point of departure. Nevertheless, there is no reason *prima facie* why the periphery could not unfold a Southern-centred form of agency to counteract this. The latter could be either collective (as in the New International Economic Order movement of the 1970s) or more individualist.

The Southern states' struggle to challenge the dependency relationship has elements of agency, but it is not necessarily a pure product of the old-style voluntaristic national development tradition. It can be highly decentralised, as in the 'guerrilla capitalism' thesis (Lam and Lee 1992). At the same time, it is important to note that a Southern drive to autonomy is not limited to a choice between, on the one hand, agency in the conventional sense of industrial policy, or on the other, scattered and individualist responses. On the contrary, it can itself enlist forces of self-organising systems with elements of regime formation.

The clearest case of this would be industrial clusters. Some of the classic examples addressed in early clustering literature (see Schmitz and Nadvi 1999), such as Sinos Valley in Brazil or Sialkot in Pakistan, were indisputably emergent phenomena: they happened through self-reinforcing processes without in a significant sense being designed; and there is some identifiable 'commons' (consumers' expectations of reliability of delivery etc.) which had to be managed, typically through reciprocity. Being both emergent and with a clear fund of mutual benefit and informal rules, clusters are a classic case of regimes in the strictest sense addressed by the regime theory as applied in this paper. None of this is to deny that they could be drawn into a subordinate role within global value chains, and indeed in this case, far from being exempt from the dependency relationship, they could indeed be one of its main embodiments. There is no doubt that the IPE has adjusted to incorporate clusters. However, the outcome of the question of whether they counter or reinforce dependency is not pre-ordained.

It is precisely in this context that, in the industrial policies of the last couple of decades, clustering often interacts with more purposive and state-centric uses of agency: it has become commonplace to seek to stimulate cluster formation through appropriate state incentives, thus supposedly working with spontaneous emergent processes rather than ignoring them. EU PTA and AGOA are meant to force ACP countries to design policies with incentives enough to attract investment in the sector. The aim is to co-opt the spontaneity of industrial clusters, and hence reinforce dependency. But what factors influence the success or failure of ACP countries' attempts to be less dependent?

It is in this context that we should introduce the final piece of the jigsaw: accumulation regimes. Although this branch of theory developed somewhat separately from the dependency literature, there are very strong interactions, notably in the work of Wallerstein and Lipietz (see Lipietz 1987; Wallerstein 1983). The dependency literature always reflected an understanding that the notion of long cycles must be part of the model somehow. The notion of accumulation regimes constitutes an interesting response to this problem. Again, the structure–agency relationship is interesting. In the post-war regime of accumulation the role of agency appears very strong, if we think of the role of Keynes or Bretton Woods, and more generally the centralised role of corporations and even of their subcontracting networks. Nevertheless, there are very important elements of emergence: the relationship between technologies, energy sources, labour relations etc. are too complex entirely to be managed. This is even more the case with the regime of accumulation, which issued from the crisis of the 1970s and is currently on its deathbed.

The main point with regard to regimes of accumulation, however, is that particular international regimes operate either better or worse within particular regimes of accumulation. Thus, for the case of the apparel industry in SSA, within the regime of accumulation dubbed 'globalisation' which issued from the crisis of the 1970s, the EU PTA and AGOA have

thrived better than the MFA. In particular, AGOA has greater room for manoeuvre in SSA's struggle to extract benefits from the international system.

But the key argument remains that Southern agency in general and SSA agency in particular might as well respond to openings within regimes as emergent structures, in search of autonomy. True, we depicted the 'sets of rules' around international trade in apparel as instruments of dependency. Nevertheless, they are not the pure emanation of the will of some unitary actor. They are the product of bargaining processes, and crucially these are not only domestic (Heron 2002) but also domestic and international (Odell 1993).

Although international bargaining processes do not necessarily result in a regime in the strict sense of true reciprocity, nevertheless we cannot *prima facie* assume that such a process cannot result in regime formation. Consider Odell's (1993) study. Threats of economic retaliation, issued to Brazil in 1985 by President Reagan if it refused to scrap a programme designed to promote its computer industry, and hence displace US firms, flopped. Why? Brazil hardened its stance when it learnt that US computer firms were divided at best about, or even largely opposed to, Reagan's coercion. The crux of it is that, a few days after the threats, IBM and Burroughs officials attending a private symposium with Brazilians in Washington passed word that they had not asked for the threats. Brazilians were also advised of this disunity by former US policy-makers. In short, there is no unified definition of the national interest in the core. Although in a Thatcherite reading one might embrace de-industrialisation and redeploy in the direction of financial services, many economic actors, including elite ones, would strongly disagree (see Krugman 1991; Krugman, Fujita, and Venables 1999).

In this regard, it is interesting to note that the convergence of interest between pro-AGOA lobby groups in the US and SSA – although SSA was not actively involved – led to the defeat of the New Partnership for Trade Development Act of 2009, which sought *inter alia* to offer Cambodia and Bangladesh the same preference as SSA. US lobby groups argued that enacting the bill would lead to 600,000 job losses in the American textile industry and US\$1 billion tax losses (levied on importers and retailers). They also argued that Cambodia and Bangladesh already have a thriving and competitive apparel industry compared with SSA LDCs (see National Council of Textile Organizations n.d.). Later, in August 2012, only amendments affecting the more favourable component for SSA – the extension of third-country fabric through September 2015 – were enacted as part of Bill S. 3326/H.R. 5986.

This is not to deny the qualitative differences between, say, South Korea, and SSA; quite the contrary. It is precisely the relative autonomy of Asian capitalism in being able to seize advantages offered by the global economy which has enabled it to develop features of something which we might consider a secondary core, notably in our particular case, the textile-apparel industry; and it is precisely this factor which may make it more difficult for SSA to follow in the footsteps of NICs in the direction of autonomy. Indeed, as noted in the preceding paragraph, even LDCs in Asia such as Cambodia and Bangladesh offer substantial challenge to SSA countries in their quest to establish an apparel industry. The question however is whether the 'spreading' opportunities opened up by the dependency relationship, especially in its very recent form (AGOA) – the Chinese transshipment argument notwithstanding – act as an incentive for attempts by the more disadvantaged actors in the international system to negotiate in pursuit of their own interests.

Conclusion

By taking a dependency reading of regime theory, I have contended in this paper that elements of both structure and agency exist on both sides of the regime–dependency

divide. The international regimes shaped by this interplay primarily serve the interests of Northern accumulation and, as far as sub-Saharan Africa is concerned, perpetuate dependency. However, I have argued that dependent development must not mean that SSA actors should cease to seek to embed industry; quite the opposite. What underpins this paper is the dependency perspective that opposes determinism, and takes objective circumstances as an invitation to struggle; it rejects the notion that structure should define the outcome in any determinist sense.

However, SSA countries will need to not only clearly interpret the new parameters of IPE, but also respond to them with cleverness and alacrity, because contemporary IPE is more complex than that described in the classic dependency literature of the 1970s, notably that where there is a new Asian sub-core. The crux of the matter is that, unlike the historic core, the Asian sub-core has most, if not all, levels of production represented; from the high-end Taiwanese industry to the low-end apparel manufacture in Cambodia. Perhaps SSA might need to concentrate on bargaining for a binding recognition of these so-called preferences within the WTO framework rather than blocking Asian LDCs from accessing Northern markets. The key theoretical point however is that, in effect, SSA will be responding to openings in the structure of the IPE within which agency can operate. Such attempts may be doomed, but their failure is not pre-determined. It is precisely the actors' understanding of structure, however intuitive, which will make such attempts interesting, even heroic.

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