a new kind. I can be brought along much further in the discussions of the appropriation of the model without its philosophy (the depoliticisation of ‘participation’, p.35) but I falter when one commentator describes the recent use of the participatory budget as a World Bank plot to involve the poor in cutting their own wages (p.33).

Overall, it is an important reference both for those interested in the detailed mechanics of the process for their own purposes (an example of the voting form used is included, for instance), and for those interested in the shaping of movements of the new left. Here, the field is wide open. How can this process (or any one, for that matter) be maintained to serve as ‘a permanent protagonist of the public sphere’ (p.37)? Indeed, how can any political mobilisation be maintained? Is the World Social Forum, taking its inspiration from Porto Alegre, the next stage for nourishing socialism? One wonders whether these efforts at re-fitting socialism point to a losing battle, or (in line with John Raulston Saul’s *The Collapse of Globalism*) mark a new enduring path.

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Privatisation in Sub-Saharan Africa: Where Do We Stand? by Jean-Claude Berthelemy, Celine Kauffman, Marie-Anne Valfort and Lucia Wegner. Paris: OECD DAC, 2004. Pp.154. £15.99 (paperback). ISBN 92 64 02036 5

Privatisation in Sub-Saharan Africa: Where Do We Stand? is a compendium of the privatisation process undertaken in 48 sub-Saharan Africa countries during the decade 1992–2002, after Africa’s erstwhile flirtation with socialism.

The authors’ basic theme is concerned with the outcome of the decade’s privatisation process in sub-Saharan Africa and whether such an outcome fulfills the four objectives of the privatisation process. They accomplish this aim by surveying the literature on privatisation; assessing its fiscal impact and the economic efficiency it generated in the privatised enterprises; and finally, delineating the empirical methodologies used and the attendant successes and failures of the process.

The first substantive chapter is strongly research-based and provides an exhilarating record of the outcome of the privatisation programme in the 48 countries of sub-Saharan Africa. For each country, the narrative reports the period of privatisation, the details of the companies concerned, their sector, the privatisation methods employed, the state’s pre- and post-privatisation shareholding and the resulting share of the $8.8 billion total value of the 2,535 privatisations.

The authors point out that 70 per cent of these privatisations took place in the primary sector (agriculture, agro-industry, forestry and fishery), in manufacturing, construction and in tradable services. Finally, they point out that the competitive sector has remained a recalcitrant convert to the privatisation culture.

The preferred method of privatisation has overwhelmingly been through the sale or disposal of shares or asserts: this method accounts for 70 per cent of all transactions. The second method of disposal has been through liquidations and restitutions, which account for 22 per cent. The third method involved various permutations that allowed governments to retain their preferences, and these accounted for only eight per cent.

Have the objectives of privatisation been achieved in sub-Saharan Africa? This substantive question of the book is selectively answered in accordance with the four objectives. The fiscal impact objective receives a rather mixed assessment; the \$8.8 billion total proceeds is considered 'a very low figure compared to the developed countries' (p.67), where the average annual ratio of gross privatisation proceeds to GDP was more than the 0.35 per cent sub-Saharan Africa record. The authors' explanation for this low fiscal gain is that the majority of state-owned enterprises were heavily indebted at the time of privatisation. However, when a comparison is made between the best average annual proceed sales, and the average annual government revenue, minus grants, the results show increased fiscal gains. Through yet another contrived mathematical formula, the authors argue that the fiscal gains are larger than the stated nominal \$8.8 billion total when subsidy savings and increases in tax are added.

Empirical evidence does not enable the authors to make definitive conclusions on efficiency gains, mainly because of the selective and sporadic nature of the case studies undertaken, and the absence of regulatory and enforcement mechanisms against monopolies; as a result, efficiency gains show wide variations that are often 'too small to allow firm conclusions' (p.75) to be made. However, privatisation efficiency objectives seem to have been partially met in competitive sectors. The utilities sector has proved problematic. The telecommunication sector has been the only exception in efficiency gains; this has been due to the introduction of competition through GSM licensing.

With regard to the prices and access objective in the network utility sectors, the results show a mixed outcome: privatisation managed to reduce prices where there were good regulatory frameworks and competition. The overall price impact of privatised services was minimal because often these services were priced beyond the reach of the average citizen. Although privatisation has assisted in the development of the local private sector and 'indigenisation', the results have been fairly modest and derisory.

The authors make two main concluding arguments. First, on balance, and despite some setbacks, the first decade of sub-Saharan Africa's privatisation experiment has produced tangible dividends: inefficient state-owned enterprises were remodelled by market forces in meeting efficiency gains, through reducing costs and improving services; privatisation enabled the development of local stock markets and shareholding; it brought about deregulation and a reduction in public expenditure; cash-strapped African governments were provided with much-needed funds; and last, it helped in creating, for the first time, a conducive environment for foreign direct investment.

Second, privatisation per se does not provide a magic formula, it produces best results when markets operate in a free and open economic environment, subjected to increased market competition and backed by supporting institutions.

From an empirical perspective, however, the book displays some shortcomings. First, sub-Saharan Africa is too large an area to attempt to answer the substantive question of the study through a few case studies. To do so is being immensely over-ambitious. Although the authors duly acknowledge this shortcoming, there is little stated in mitigation for this reductionist approach. Therefore, what the book reveals makes interesting reading, but what it omits is even more germane to its central theme. In this sense, it is difficult to measure the mileage the privatisation process has covered over the 1992–2002 decade. Second, although the book is quite informative and detailed on the supply side of the economy, there is a glaring omission of the discernible political impact of privatisation: a reduction and redefinition of the role the state should play in the economy; the reduction in the state's economic role which has brought a corresponding reduction in corruption, political patronage and in the pervasive and intrusive political role of African leaders. In this sense, privatisation has enabled African citizens to reclaim some of their lost human rights, dignity and self-esteem.

Despite the book's shortcomings, the authors have made an insightful addition to the current debate on the efficacy and progress of privatisation in sub-Saharan Africa. For this reason, therefore, it is to be highly recommended to global investors who seek good returns on their investment in Africa; students and scholars interested in Africa's global competitiveness and economic growth; international institutions and bilateral donors who fund privatisation projects; and decision-makers of this unfinished process in Africa.

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