

Continuity and Discontinuity in the Malawi Loans Boards, 1950s until 1970s

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Previous research (Green and Hillbom 2010, Cooper 2004) have shown that in general there was continuity in overall economic and social structures in African economies between 1950s and 1970s. This is mirrored in the organization of medium-scale credit in late colonial and early post-colonial Malawi. In this paper I will show how delivering of medium-scale credit was organized in colonial Nyasaland African Loans Board, the Business and Industrial Board and the Central Farmers Board and finally the Malawi Government Loans Board during the same period.

The theoretical purpose with the paper is to discuss the discourse of modernization which emerges in the 1950s at the same time as the post-colonial government kept the colonial organization of credit. The modernisation discourse was based on values and norms of economic equality and development, which would gain the African masses. At the same time, the design of medium-scale credit was based on colonial racist conceptions of otherness. In the article I will elaborate on how this is expressed in the organization of medium-scale credit. For example, I will suggest that we can understand the "lack of" capital generating functions such as savings accounts as an inheritance from the colonial period.

To understand this ambiguity of a conceptual discontinuity in colonial racist conceptions of otherness to more authoritarian conception of sameness, while there was an institutional continuity in the organization of the Loans Board, I will make use of Frederick Cooper's concept of gatekeeping state. The Loans Boards will be analyzed as gatekeeping institutions. (Cooper 2008) Peter Probst has shown that the Malawi Congress Party used rural credit in the Lilongwe Land Development Programme to mobilize allied groups. (Probst 2002) I will discuss the possibility of a similar aim of using credit as a political tool within the preceding Loans Boards in the 1960s and 1970s.

Based on archival material I will outline the political and economic history of the Loans Boards to be able to pose further empirical questions of economic and political practices concerning the Loans Boards.