



By Joe Kobuthi



The neoliberal order that powered economic growth and technological progress between 1989 and 2008 is [broken](#). This system, which not only provided the architectural designs to Reaganomics and Thatcherism, but also created a nomenclature peppered with terms such as free trade, privatisation, deregulation, open markets, and reductions in government spending, has now been proven bankrupt. The International Monetary Fund (IMF) and the World Bank, its chief merchants, once proudly hawked it to governments across the globe as the elixir to societal development and global peace and order. However, today it has collapsed under the weight of its own contradictions.

Joseph Stiglitz, the Nobel Prize-winning economist and former adviser to US President Bill Clinton, opined in [a Business Insider](#) interview that neoliberal ideology — the idea that markets function best when left alone and that an unregulated market is the best way to increase economic growth — has pretty much been disproved. Neoliberal ideology has created deep inequality and enriched a few. It also led to the [2008 financial and economic crisis](#) and the Great Recession, delivering austerity to millions of people.

The “neoliberal euphoria” that has gripped the world since the 1980s has now been falsified. A revealing 2015 report by the Bank of England disclosed that between 1980 and 2015 - the entire course of neoliberal globalisation - growth remained more or less static. Another report by the [Pew Research Centre](#) also exposed that in the same time frame, the real wages of most Americans barely budged and that the average American today is actually poorer than her counterpart of four decades ago. Over the same forty-year period, the richest people had, on average, 35 million dollars each in 1976, whilst in 2014, they had 420 million dollars each- a twelve-fold increase.

In effect, the fourth industrial revolution, which began at the turn of the century, builds on the digital revolution; characterised by machine learning and artificial intelligence, it is the final nail in the coffin of neoliberalism. This is because the central emphasis on the “atomised individual” embodied in neoliberalism has been replaced by machines, thereby rendering the human useless and with that neoliberalism as well. After all, as Professor Yuval Noah Harari aptly puts in his seminal work *Homo Deus*: “Liberalism did not become the dominant ideology simply because its philosophical arguments were the most valid. Rather, liberalism succeeded because there was abundant political, economic and military sense in ascribing value to every human being.” Neoliberalism, therefore, will have a difficult time selling itself, because the masses will lose economic importance.

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A recent study conducted by two Oxford researchers indicates that about 47 per cent of total employment in the United States is at risk, perhaps over the next decade, which, according to the study, will be characterised by a much broader scope of job destruction at a much faster pace than labour market shifts experienced in previous industrial revolutions.

These dawning realities have led to grave uncertainty amongst the populations, particularly in the global North, causing what the writer and academic Elif Shafak christened “the age of angst”. The rapid changes have upset the social order. People feel that their incomes and status are threatened, which has led to the rise [and flourishing of movements](#) heavy on ethnic hatred, imagined conspiracies and created visions from a distorted remembering of the past. In the heyday of [European fascism](#), the threat came from the enormous job losses of the Great Depression, which in Germany followed the humiliating Versailles Treaty and ruinous inflation that wiped out savings. Today, among many of Donald Trump’s supporters, the threat comes from declining or stagnating wages, rapid automation and globalisation that make people feel that their jobs are ever less secure. In Europe, the “Brexit” vote by the United Kingdom to leave the European Union is a fitting exemplar of these phenomena.

Back to the Cold War

As always, [power politics](#) is still the major game in town. Another chapter in the rise and fall of the great powers – this time played by the United States, China, and Russia – has just opened. America is, however, still the world’s global superpower.

In recent years, relations in this love triangle between China, the United States and Russia have been driven to a post-Cold war low by disagreements between the United States and Russia over issues such as [Russia’s role in Ukraine](#), its role in the war in Syria and its alleged interference in the 2016 US presidential elections and between the United States and China over the disputed South China sea and unfair trade practices. There is also a rumoured dalliance between Russia and China, both of which have a desire to challenge Washington’s dominant global position and to limit American power.

Trump’s administration, with its “America first” policy, seems to have recently exacerbated the issue. On December 18, the US unveiled a national security strategy that states that China and Russia are challenging American power, influence, and interests, and are attempting to erode

American security and prosperity. The report further says that Russia and China “are determined to make economies less free and less fair, to grow their militaries, and to control information and data to repress their societies and expand their influence”.

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Russia and China have, however, [criticised the US](#) for its security strategy. Dmitry Peskov, Russian President Vladimir Putin’s spokesman, said that the new strategy has an “imperial character” and accused Washington of clinging to a “unipolar world”. The Chinese foreign ministry also [counseled](#) the US to abandon what it dubbed as a “Cold War mentality”, opining that China has always been a contributor to global development and a protector of the international order. The [document](#) was released at a juncture when US relations with China are at a post-Cold War low. Moreover, with the recalibration of the US to a global competitive order and a focus on America’s sovereignty and power, not engagement abroad, creates conditions - as witnessed during the Cold War - for a *real politik*-type foreign policy to prevail. Without moral or ideological considerations, the effects of this will be cataclysmic in the near future.

Colonialism 2.0

Ironically, it is when the West is weak that it rears its brutish Hobbesian tendencies; other nations, more so the developing nations, have reason to worry. From the 17th to the 19th centuries, when the world was being colonised by the European imperial powers, the two richest countries in the world were India and China, together accounting for over 50 per cent of the world’s GDP. And yet the two giant Asian nations ended up poorer after the colonialists gave them their independence in 1947 and 1912, respectively.

Similarly, facing economic uncertainty at home and challenges to its global pre-eminence, the West is once again in a menacing mood. For the global South, Cold War-type posturing and a new economic race has been threatening a new type of colonialism and a transactional foreign policy posture. This seems to be a repeat of history. [In the early 1960s](#), when a number of African states gained independence, the Cold War’s spill-over effect on the continent ensured a slew of conflicts between and within neighbouring states on the platform of ethnic bias and nationalism. A hoped- for bright future was eclipsed by the rise of despots and oligopolies who bled the continent over the course of the next three decades.

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[Today](#), after nearly 60 years of sovereign rule, countries such as Uganda, Rwanda, Burundi and Kenya have declined to vote against President Donald Trump’s Jerusalem policy at the United Nations for fear of losing billions of dollars in US funding. In 2016, Kenya received \$632 million as economic aid and \$468 million for other programmes from the United States, and Uganda, which was present but chose not to vote, received \$741 million.

The Democratic Republic of the Congo, the world’s largest producer of cobalt, and which accounts for roughly 53 per cent of global production of the metal used in all rechargeable batteries used in mobile phones and other devices, is experiencing endemic poverty as China, the US and its allies

scramble for its commodities. People live in highly unstable conditions, and children are forced to work in mines, exposed to all sorts of diseases and the possibility of accidental death while the government and the mining companies that employ them look on in silence.

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In Kenya, the just-concluded election season was a witness to this form of neocolonialism. International observers, led by former Secretary of State, John Kerry, were more than ready to “accept and move on” following the announcement of the August 8th results. Kerry, then representing the Carter Institute, even applauded the Independent Electoral and Boundaries Commission (IEBC) for a job well done, despite opposition and civil society groups questioning the credibility of the process.

However, the international community was left with the proverbial “egg on face” feeling when the Supreme Court of Kenya, led by Chief Justice David Maraga, annulled the elections on September 1, on grounds that the elections were not free, fair and credible and were not conducted within the dictates of the law.

The disposition of the West in Kenya’s elections has many similarities with the Cold War era when the West supported despotic leaders to curb the influence of communism on the continent.

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In 2017, it seems economic interests and curbing China’s influence in the region are the West’s top priorities because China surpassed the US as Africa’s largest trading partner in 2009; Sino-African trade has jumped almost forty-fold from US\$10.6 billion in 2000 to nearly US\$400 billion in 2016, according to Xinhua. In terms of trade volume, Chinese trade with Africa dwarfs US trade with Africa significantly. It is no wonder that as attention of the country was focused on the August 8 general election, the government of [Kenya handed](#) an American firm a tender for construction of what is set to be the single largest road project in Kenya, worth 300 billion shillings.

What next?

The question is what will be Africa’s response to the shifting global hegemony? Africa now finds itself between the devil and the deep blue sea. On the one hand, the West, through institutions such as the World Bank and IMF, still wields significant influence to steer public policy in its direction. Moreover, the soft power that the West exercises through its cultural influence is immense. For instance, the English Premier League is still the most preferred football league in Africa and Hollywood movies are the most watched in Africa.

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On the other hand, China is no saint either. The combination of rising imports and falling exports has created a rising trade imbalance between sub-Saharan Africa and the rising super power, which the latter doesn't seem interested in ameliorating. In 2015, according to the [China-Africa Research Institute](#) (CARI), Africa's 54 countries recorded a \$34 billion trade deficit with China on total trade of \$172 billion.

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The debt treadmill that some countries in Africa have embarked on posits red flags. Though China is willing to provide loans to African governments, there are those who argue that massive repayment systems are China's way of colonising Africa. For instance, in [Sri Lanka](#), because the government was unable to pay China's debt, they had no choice but to sign a concessionary agreement for a joint venture between the China Merchants Port Holdings Company Limited (CMPort), China's state-owned port company, and the Hambantota port, which is the second largest port in Sri Lanka. According to the agreement, the Chinese company will own 70 per cent of the Hambantota port while the Sri Lanka Ports Authority (SLPA) will own the remaining shares. The Hambantota port was leased to China for 99 years.

Where should we look for meaningful and lasting change in a continent where endemic corruption, ethnic bigotry and mediocrity have hollowed institutions and rendered them ineffective, and where the ethno-nationalist middle classes - who in a democratic society are usually the drivers of change - are part and parcel of the extractive machinery?

Unfortunately, Africa's whitewashed, Western-educated branded elites don't possess the vision, the political will or the imagination to aid their people. Since independence, most of our political leaders have preferred to expend their time and energy amassing power and wealth, whilst the African masses exist in deplorable conditions. Past experiences have also indicated that in the face of their own selfish interests, this lumpen bourgeoisie will wholeheartedly act as local watchmen protecting the ill-gotten wealth their foreign masters acquire.

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In the struggle for independence and in the subsequent years that followed, [Pan Africanism](#) as a movement crusaded against imperialism in all its forms and for the liberation of black Africans from the evils of black enslavement and colonialism. In times of great peril and disillusionment, such as in the times of slavery in America and apartheid South Africa, it provided hope and even summoned visions of a better future for all Africans.

Perhaps the time is ripe again for Africa to revisit this idea and find once more hope, meaning and identity in this juncture of history. Only time will tell whether Africa will act with expediency in the face of its imminent demise.

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