



# Africapitalism' and the Limits of Any Variant of Capitalism

By Stefan Ouma



In 2019, Tanzanians mourned prominent businessperson Ali Mufuruki (1959-2019). Under the umbrella of his InfoTech Investment Group, he championed the cause of indigenous ownership of businesses in the country. He was successful at his trade, representative of a group of 'Tanzanians of African origin who have been the voice of the private sector during - and since - the transition to liberalization in the 1980s/90s.

He was also an 'ideational entrepreneur' who promoted the structural transformation of African economies to engender less extraverted and extractive forms of development. With the aim to safeguard the 'gains of liberalization', he co-founded and chaired the CEO Roundtable of Tanzania (CEOrt), providing a forum for industry leaders to constructively engage the government on policy issues. Together with his fellow countrymen Rahim Mawji, Moremi Marwa, Gilman Kasiga, he published a book to which the President himself, John Pombe Magufuli wrote the foreword: [\*Tanzania's Industrialisation Journey, 2016-2056: From an Agrarian to a Modern Industrialised State in Forty Years\*](#) (2017).

Mufuruki also spread his ideas in a [TED talk](#), where he debunked the myth of 'Africa rising' with great verve, as some critical political economists have also done. Yet despite being touted as an 'intellectual of capital' [by historian Chambi Chachage](#), you won't find the term capitalism mentioned

in Mufuruki and colleagues' book other than when another cited author uses the term. Instead, less suspicious terms such as 'the market' and 'the private sector' are put to use. After all, *upebari* (capitalism) and *mapebari* (capitalists) are still terms used widely with a negative connotation in a country where socialism is still enshrined in the constitution.

In contrast, in Nigeria, another intellectual of capital, Tony Elumelu, was far less hesitant to mobilise the vocabulary of capitalism for his purposes when he came up with the term *Africapitalism* in 2011. Since then, the notion has become a popular hashtag in social media, and now garnishes the titles of at least three books ([Edozie 2017](#); [Idemudia and Amaeshi 2019](#); [Amaeshi et al. 2018](#)).

Like Mufuruki, Elumelu is someone for whom capitalism has worked very well, having turned the Nigerian United Bank of Africa (UBA) into a pan-African player in the 2000s. He is now the board chairman of Heirs Holding, a pan-African private equity firm based in Lagos. For the past ten years, he has also headed a large philanthropic enterprise dedicated to fostering entrepreneurship across the continent.

Like Mufuruki, Elumelu is representative of 'Africa's new, burgeoning capitalist class' - a new crop of African entrepreneurs who not only have amassed huge fortunes, but who also increasingly shape representations of the continent on matters of economic and social policy in the battle for minds in and beyond Africa. As argued in a recent post to this blog series by [Nigerian historian Moses Ochonu](#), engagement with this new crop of entrepreneurs is often fraught with two interrelated problems: 'One is a failure to develop an analytical toolkit that accommodates the capacious and amorphous entrepreneurial lives of Africans who were pigeonholed into the new neoliberal category of the entrepreneur. The second is a failure to adequately critique the exuberant, self-assured discourse of entrepreneurs as economic messiahs and replacements for the economic responsibilities of the dysfunctional African state.' I am taking this finding as an invitation to critically think through Africapitalism beyond capitalism.

Originally, 'Africapitalism' only provided a shadowy outline of a new economic blueprint for structural change in Africa. Elumelu underlined that '[its primary goal is greater economic prosperity and social wealth, driven by Africa's private sector - its domestic economies, markets, and businesses.](#)' Its agenda, however, became subsequently more philosophically refined as part of an academic project sponsored by Elumelu's Foundation [at the University of Edinburgh School of Business](#).

The Nigerian academics involved reframed the Africapitalist ethos as a set of fundamental values through which capitalism is supposed to be made to work for Africans. '[\[A\] sense of progress and prosperity,](#)' '[a sense of parity,](#)' '[a sense of peace and harmony](#)' and a '[sense of place and belongingness](#)' were put at the heart of the Africapitalist project.

At first it seems puzzling that someone would unashamedly embrace capitalism as an ideology of the future on a continent that has historically most brutally suffered under it, and which until today - by many accounts - continues to do so. Making a case for capitalism so boldly happens rarely anywhere in the world, especially outside the UK and the US, where Milton Friedman and others have promoted capitalism as a free-enterprise system that brings humans' true nature to the fore. Friedman even ran a TV show on it.

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Even in other core capitalist countries such as Germany, politicians or business folk tend to use less controversial vocabulary such as 'the market economy' or 'our economic system' when they talk about the world they inhabit. When the leader of the Youth Wing of the Social Democrats (JUSOS) in Germany explicitly used the term capitalism in 2019 to argue that what is assumed to be God-given can actually be changed (calling for labour to own stakes in large businesses), all hell broke loose. That the term is avoided in public debate happens even more often across Africa.

Most independence governments shunned capitalism as the ideology of the colonisers, and until today, many leaders shy away from openly embracing it as the ideology of choice. Almost 30 years ago, Paul Zeleza noted that even in countries with a history of pro-capitalist development since independence, such as Kenya, politicians, entrepreneurs and academics rarely made a public case for capitalism. A recent piece by [ROAPE's Jörg Wiegratz](#) for this series on roape.net and a 2019 intervention of the [Mathare Social Justice Center](#) seem to reaffirm the discursive invisibility of capitalism in at least that corner of the continent.

The enthusiastic promotion of Africapitalism also seems puzzling given that capitalism has become increasingly questioned as an ideology-cum-economic system that can take us into the future. The global financial crisis, all-time high global inequalities, but also the increasingly obvious ecological limits of an economic system based on infinite growth, present challenges to anyone trying to make a continued case for capitalism.

Critical books diagnosing capitalism as ready to implode, imagining post-capitalist futures or directly attacking those benefiting disproportionately from the machinations of contemporary capitalism have become plentiful, often reminding us that it is either capitalism or the planet.

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In the wake of the global financial crisis 2007-8, even the promoters of global corporate elites admit that capitalism has come 'under siege.' With debates on inequality and climate change at an all-time high, now even some of the biggest profiteers from financialized capitalism, such as investment banker Jamie Dimon, [want to save capitalism from capitalism](#).

The Corona virus crisis is just the latest product of capitalism's 'blasted landscapes.' As Senegalese economist Felwine Sarr recently [argued](#) in two widely circulating essays in the German Newspaper Sueddeutsche Zeitung, the COVID-19 pandemic is the product of the minority world's 'imperial mode of living' which partly has been taken up in China and other emerging economies, and now puts the fallout on the rest of us. In a way, it may be considered the harbinger of the climate catastrophe to come - a catastrophe for which only a relatively small part of the world population is responsible (especially if environmental debt is calculated per capita and historically).

The Corona crisis also calls into question the [debt-financed growth strategies](#) of many African governments, to the extent [that a group of 100 African intellectuals](#) have called for a complete overhaul of the African variant of neoliberal capitalism, where road and airport infrastructures and other 'urban fantasies' are prioritized over human well-being.

At the same time, there have been various developments that help us make sense of why 'Africapitalism' as an idea emerged and has been taken up so enthusiastically across Africa, and reverberates powerfully even in times of Corona ([Elumelu's UBA just announced a \\$14 million COVID-19 relief support across Africa](#)).

First, since 2008, Africa has come to be heralded as the last frontier of capitalism, most prominently encapsulated in the 'Africa rising' narrative. Although even some intellectuals of capital have been wary of the [danger of a single story](#), such as Mufuruki himself, this narrative has nevertheless redirected the gaze of global capital towards the continent.

As the late Thandika Mkandawire pointed out: ['Ideas matter. While not always decisive, they do have an autonomous and noticeable effect on interests and institutions.'](#) Indeed, many African corporate and political elites have tried to exploit this moment of increased global attention, especially the new crop of mega-rich entrepreneurs that Elumelu is part of: the Kirubis, Motsepes and Dangotes of the continent.

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Elumelu himself seems to admit that Africa should not rise in a business-as-usual mode. To remedy potential conflicts arising from jobless growth, accumulation by resource extraction and increasing demographic pressures, it ['is in capital's own interest to think long-term and invest for social impact'](#). Why not bet on a mode of production that has, as some would say, [proven to be the largest wealth-creating machine in human history?](#)

For Africapitalists, it just depends on the variety of capitalism and how inclusive it is made. It is along these lines that promoters of Africapitalism want to free capitalism from its most excessive and socially destructive features, turning it into a win-win machine for capitalists and the communities they 'serve'. This is supposed to happen through voluntary, private sector-driven initiatives rather than through taming capitalism through public regulation.

Second, there has been an increasing shift in development thinking over the past decade. The private sector is now being hailed as the prime agent of economic change. The entry of philanthropic entities, private equity funds, impact investors and conventional multinationals into [the business of development indicates this trend](#).

This has been buttressed by a range of concepts that try to give capitalist activities greater legitimacy, such as 'inclusive capitalism', 'corporate citizenship', 'social enterprise', 'creating shared value', 'impact investing', or the 'double/triple bottom line approach'.

Africapitalism relates to these intellectual currents, but at the same time claims to supersede them. In such an environment, it sounds increasingly natural to make entrepreneurs - as 'wealth creators,' 'job creators,' 'innovators,' 'problem-solvers,' 'disruptors' and 'givers' the prime movers of economic transformation. Yet those who also create value, be it the state or workers, are largely absent in this narrative.

Third, there are long-standing questions about how to think about Africa's future development trajectories and through which means 'development' could best be achieved. The idea of Africapitalism makes a bold contribution to this debate, reinjecting African agency into the discourse of economic transformation. Many independence leaders were seriously committed to a politics of the future, creating long-term visions of how their societies should develop (e.g., Nkrumah, Senghor, Nyerere) This particular version of politics of the future faded away from the 1980s onwards, when the projects they were based on had run into economic troubles.

'The African state,' variously described as socialist, rent-seeking, vampiristic, centralised, clientelist, neopatrimonial, predatory, kleptocratic or failed ([Mkandawire 2001: 293](#)), was suddenly blamed for

all kinds of evils and the lost development decades of the 1980s and 1990s. Statist and home-grown academic visions of societal transformation were gradually replaced by copy-and-paste adjustment practices. Issa Shivji aptly described this situation a few years ago: [‘The globalization hegemony dictated that the “villages” of the globalizing world did not need thinkers, but only purveyors of thought generated elsewhere.’](#) Until the early 2000s, African economies had become even greater importers of foreign concepts, something that has always been part of the (post)colonial experience.

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The longstanding calls for the domestication of ‘development’ moving beyond imperial Western thought, overcoming the colonisation of mind and language, as well as the more recent calls for Africentricity, Africonsciousness and Afromodernity have been responses to this predicament. The idea of Africapitalism fits with the idea that development in Africa should happen with a [‘sense of place’](#).

It connects with the long-standing desire of African and African Diaspora people to reassert [the continent’s role in the world](#). Frantz Fanon once described this desire powerfully in *The Wretched of the Earth*, ‘...if we want humanity to take one step forward, if we want to take it to another level than the one where Europe has placed it, then we must innovate, we must be pioneers.’

While closely linked to its Nigerian origin, Africapitalism also ties into and takes inspiration from another vision for Africa’s transformation, Ubuntu economics. Both philosophies are said to [‘embed within themselves the principles of self-determination, African agency, African knowledge and an Africentric symbolic identity’](#).

Both philosophies are mobilised to carve out new spaces of thought and practice from the global political economy for accumulating both economic and social wealth in Africa. But Africapitalists have no problem with the foreignness of capitalism, and for the more libertarian kind it is in fact socialist practices that are foreign imports into a context where [‘\(p\)rofit, trade, and entrepreneurship are inherent aspects of indigenous economic systems’](#).

For these libertarian Africapitalists, the capitalist ethic is a product of nature (rather than a product of history) – a finding which has been critiqued in an [earlier contribution to this blog series](#) by Horman Chitonge. ‘Africapitalism’ also can be related to the long-standing concept of Pan-Africanism, but comes across as a globally more appealing and neutral concept, as Pan-Africanism always had an anti-imperial and anti-capitalist ideological core.

So, what does the concept actually deliver for the continent (and its diaspora people) in terms of transformative, emancipatory and redistributive potential? Despite the welcome Afrocentric and Afroconscious rhetoric, Africapitalists, much like most other politicians and business folk fail to fully [‘open up the present to more than its own repetition.’](#)

This does not deny the need for Africans to advance a more humane, place-based, and connected economy that tries to radically transcend capitalism as the continent has known it. As Mkandawire recently remarked, we should be essentially upbeat about Africa, but it [‘must be given space, or capture space, to think its own way out of its predicament’](#).

At a time when the true costs of climbing up the capitalist ladder are more obvious than ever; Africa

is in a good position to generate real and viable alternative economic futures. But this requires much more than promoting Afrocentric entrepreneurship and needs an approach that enables us to seriously break with the coloniality of power, knowledge and being that has shaped Africa's adverse insertion into the global political economy since the colonial period. It is only this systemic overhaul which will set African economies on a new footing.

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After all, Africanization does not equal [decolonization](#). By relying on categories that were often formed during colonial encounters (such as 'growth,' 'efficiency'; 'nature serves man as a resource'), by largely subscribing to the current orthodoxy in management and business speak, and by not being grounded in a broader alliance of social forces and ontologies, Africapitalists fail to make visible and utilise the full range of unrealised possibilities that the continent offers when it comes to thinking *through* capitalism *beyond* capitalism. They promote a world where redistribution happens because of entrepreneurs' commitments to the idea of shared value rather than improved tax collection or other forms of redistribution.

Aricapitalists also are 'devoted to the unlikely idea that the bitter conflicts between labour and capital in the West can be replaced on the continent by capitalism informed by the humanistic solidarities of Ubuntu. They imagine a world where capitalist enterprises create economic and social value in the communities they serve through win-win arrangements. It is also a world where large foundations are tasked with economic and social transformation more broadly, [despite the increasing evidence of the flaws of the venture philanthropy model/philanthrocapitalism](#), and the wanting labour, environmental and corporate governance track record of companies that are [being cited as good examples](#) of Africapitalism (take [Zambeef](#) or [Nakumatt](#), for instance).

In order to revoke the current economic order, we need concerted, pan-African and radical efforts to remake African economies, which are at the same time grounded in the awareness that Africa is part of a wider global ensemble in which humans are one among many species. This does not mean that Africans must scale down on their desire to live dignified, fulfilled, and secure lives, but that anyone engaging with the future must dare to move outside a frame that may hold for only another few decades before it will fully fall apart.

Such questions may be dismissed against the background that Africapitalism is first and foremost about attaining the discursive power to shape one's own economic destiny in a region where millions of people are yet to enjoy the material wealth of the North, or many emerging economies, and thus lack the privilege to think beyond capitalism. During such an endeavour, questions of environmentalism may be treated rather agnostically.

Yet, even though attaining the power to shape one's own destiny and developing a set of discursive, place-based concepts that can help build alliances around a project of economic transformation are certainly key to more prosperous African futures, it can be questioned whether this should be done through practices that have historically built wealth in certain regions of the world only on the back of [cheap nature, food, labour and energy elsewhere](#).

The [COVID-19 pandemic is nature's way to fight back](#), bringing the technologically sophisticated yet often ecologically destructive and dehumanising architecture of contemporary supply chain capitalism to its knees, further proves the ecological and social limits of *any* variant of capitalism. It

is worth re-reading [Fanon](#): 'So comrades, let us not pay tribute to Europe by creating states, institutions, and societies that draw their inspiration from it. Humanity expects other things from us than this grotesque and generally obscene emulation.'

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