

SOS POLITICAL SCIENCE AND PUBLIC ADMINISTRATION

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SUBJECT NAME : CONTEMPORARY INTERNATIONAL POLITICS

UNIT-V

TOPIC NAME : THE POLITICS OF NEO-COLONIALISM

Neocolonialism is the practice of using capitalism, globalization and cultural imperialism to influence a developing country instead of the previous colonial methods of direct military control (imperialism) or indirect political control (hegemony). Coined by the French philosopher Jean-Paul Sartre in 1956, it was first used by Kwame Nkrumah in the context of African countries undergoing decolonization in the 1960s. Neocolonialism is also discussed in the works of Western thinkers such as Jean-Paul Sartre (Colonialism and Neocolonialism, 1964) and Noam Chomsky (The Washington Connection and Third World Fascism, 1979).

TERM

Origins

Kwame Nkrumah (pictured on a Soviet postage stamp) is a Ghanaian politician who coined the term "neocolonialism" When first proposed, neocolonialism labelled European countries' continued economic and cultural relationships with their former colonies, African countries that had been liberated in the aftermath of Second World War. Kwame Nkrumah, former president of Ghana (1960–66), coined the term, which appeared in the 1963 preamble of the Organisation of African Unity Charter, and was the title of his 1965 book Neo-Colonialism, the Last Stage of Imperialism (1965). Nkrumah theoretically developed and extended to the post-War 20th century the socio-economic and political arguments presented by Lenin in the pamphlet Imperialism, the Highest Stage of Capitalism (1917). The pamphlet frames 19th-century imperialism as the logical extension of geopolitical power, to meet the financial investment needs of the political economy of capitalism. In Neo-Colonialism, the Last Stage of Imperialism, Kwame Nkrumah wrote: In place of colonialism, as the main instrument of imperialism, we have today neo-colonialism . . . [which] like colonialism, is an attempt to export the social conflicts of the capitalist countries. . . . The result of neo-colonialism is that foreign capital is used for the exploitation rather than for the development of the less developed parts of the world. Investment, under neo-colonialism, increases, rather than decreases, the gap between the rich and the poor countries of the world. The struggle against neo-colonialism is not aimed at excluding the capital of the developed world from operating in less developed countries. It is aimed at preventing the financial power of the developed countries being used in such a way as to impoverish the less developed.

Non-aligned world

Neocolonialism was used to describe a type of foreign intervention in countries belonging to the Pan-Africanist movement, as well as the Bandung Conference (Asian–African Conference, 1955), which led to the Non-Aligned Movement (1961). Neocolonialism was formally defined by the All-African Peoples' Conference (AAPC) and published in the Resolution on Neo-colonialism. At both the Tunis conference (1960) and the Cairo conference (1961), AAPC described the actions of the French Community of independent states, organised by France, as neocolonial.

Françafrique

The representative example of European neocolonialism is Françafrique, the "French Africa" constituted by the continued close relationships between France and its former African colonies. In 1955, the initial usage of the "French Africa" term, by President Félix Houphouët-Boigny of Ivory Coast, denoted positive social, cultural and economic Franco–African relations. It was later applied by neocolonialism critics to describe an imbalanced international relation. The politician Jacques Foccart, the principal adviser for African matters to French presidents Charles de Gaulle (1958–69) and Georges Pompidou (1969–1974), was the principal proponent of Françafrique. The works of Verschave and Beti reported a forty-year, post-independence relationship with France's former colonial peoples, which featured colonial garrisons in situ and monopolies by French multinational corporations, usually for the exploitation of mineral resources. It was argued that the African leaders with close ties to France — especially during the Soviet–American Cold War (1945–91) — acted more as agents of French business and geopolitical interests, than as the national leaders of sovereign states. Cited examples are Omar Bongo (Gabon), Félix Houphouët-Boigny (Ivory Coast), Gnassingbé Eyadéma (Togo), Denis Sassou-Nguesso (Republic of the Congo), Idriss Déby (Chad), and Hamani Diori (Niger).[citation needed]

Belgian Congo

After the decolonization of Belgian Congo, Belgium continued to control, through the Société General de Belgique, an estimated 70% of the Congolese economy following the decolonization process. The most contested part was in the province of Katanga where the Union Minière du Haut Katanga, part of the Société, controlled the mineral-resource-rich province. After a failed attempt to nationalize the mining industry in the 1960s, it was reopened to foreign investment.[citation needed]

Neocolonial economic dominance

People in Brisbane protesting Australia's claim on East Timorese oil, in May 2017 In 1961, regarding the economic mechanism of neocolonial control, in the speech Cuba: Historical Exception or Vanguard in the Anti-colonial Struggle, Argentine revolutionary Ché Guevara said: We, politely referred to as "underdeveloped", in truth, are colonial, semi-colonial or dependent countries. We are countries whose economies have been distorted by imperialism, which has abnormally developed those branches of industry or agriculture needed to complement its complex economy. "Underdevelopment", or distorted

development, brings a dangerous specialisation in raw materials, inherent in which is the threat of hunger for all our peoples. We, the "underdeveloped", are also those with the single crop, the single product, the single market. A single product whose uncertain sale depends on a single market imposing and fixing conditions. That is the great formula for imperialist economic domination.

Dependency theory

Dependency theory is the theoretical description of economic neocolonialism. It proposes that the global economic system comprises wealthy countries at the centre, and poor countries at the periphery. Economic neocolonialism extracts the human and natural resources of a poor country to flow to the economies of the wealthy countries. It claims that the poverty of the peripheral countries is the result of how they are integrated in the global economic system. Dependency theory derives from the Marxist analysis of economic inequalities within the world's system of economies, thus, under-development of the periphery is a direct result of development in the centre. It includes the concept of the late 19th century semi-colony. It contrasts the Marxist perspective of the Theory of Colonial Dependency with capitalist economics. The latter proposes that poverty is a development stage in the poor country's progress towards full integration in the global economic system. Proponents of Dependency Theory, such as Venezuelan historian Federico Briton Figueroa, who investigated the socioeconomic bases of neocolonial dependency, influenced the thinking of the former President of Venezuela, Hugo Chávez.

Cold War

During the mid-to-late 20th century, in the course of the ideological conflict between the U.S. and the U.S.S.R., each country and its satellite states accused each other of practicing neocolonialism in their imperial and hegemonic pursuits. The struggle included proxy wars, fought by client states in the decolonized countries. Cuba, the Warsaw Pact bloc, Egypt under Jamal Abdel Nasser (1956–70), et al. accused the U.S. of sponsoring anti-democratic governments whose régimes did not represent the interests of their people and of overthrowing elected governments (African, Asian, Latin American) that did not support U.S. geopolitical interests. In the 1960s, under the leadership of Chairman Mehdi Ben Barak, the Cuban Tricontinental Conference (Organisation of Solidarity with the People of Asia, Africa and Latin America) recognized and supported the validity of revolutionary anti-colonialism as a means for colonized peoples of the Third World to achieve self-determination, which policy angered the U.S. and France. Moreover, Chairman Barak headed the Commission on Neocolonialism, which dealt with the work to resolve the neocolonial involvement of colonial powers in decolonized counties; and said that the U.S., as the leading capitalist country of the world, was, in practice, the principal neocolonialist political actor.

Multinational corporations

Critics of neocolonialism also argue that investment by multinational corporations enriches few in underdeveloped countries and causes humanitarian, environmental and ecological damage to their populations. They argue that this results in unsustainable development and perpetual

underdevelopment. These countries remain reservoirs of cheap labor and raw materials, while restricting access to advanced production techniques to develop their own economies. In some countries, monopolization of natural resources, while initially leading to an influx of investment, is often followed by increases in unemployment, poverty and a decline in per-capita income.

In the West African nations of Guinea-Bissau, Senegal and Mauritania, fishing was historically central to the economy. Beginning in 1979, the European Union began negotiating contracts with governments for fishing off the coast of West Africa. Commercial, unsustainable, over-fishing by foreign fleets played a significant role in large-scale unemployment and migration of people across the region. This violates the United Nations Convention on the Law of the Seas, which recognizes the importance of fishing to local communities and insists that government fishing agreements with foreign companies should target only surplus stocks.

International borrowing

To alleviate the effects of neocolonialism, American economist Jeffrey Sachs recommended that the entire African debt (ca. 200 billion U.S. dollars) be dismissed, and recommended that African nations not repay the World Bank and the International Monetary Fund (IMF). The time has come to end this charade. The debts are unaffordable. If they won't cancel the debts, I would suggest obstruction; you do it, yourselves. Africa should say: "Thank you very much, but we need this money to meet the needs of children who are dying, right now, so, we will put the debt-servicing payments into urgent social investment in health, education, drinking water, the control of AIDS, and other needs".

China

The People's Republic of China has built increasingly strong ties with some African, Asian, European and Latin American nations, becoming Africa's largest trading partner in 2009. As of August 2007, an estimated 750,000 Chinese nationals were working or living for extended periods in Africa. In the 1980s and 90s, China continued to purchase natural resources — petroleum and minerals — from Africa to fuel the Chinese economy and to finance international business enterprises. In 2006, trade had increased to \$50 billion expanding to \$500 billion by 2016. In Africa, China has loaned \$95.5 billion to various countries between 2000 and 2015, the majority being spent on power generation and infrastructure. Cases in which this has ended with China acquiring foreign land have led to accusations of "debt-trap diplomacy". Other analysts have concluded that China is likely trying to "stockpile international support for contentious political issues." Commentators have stated that Western perceptions of China's motives are misconstrued due to Western conceptions of development as seen through their own lens of exploitation of others for resources—as exemplified by European colonialism—instead of through Chinese conceptions of development. In 2018, Malaysian Prime Minister Mahathir Mohammad cancelled two China-funded projects. He also talked about fears of Malaysia becoming "indebted" and of a "new version of colonialism." He later clarified that he did not refer to the Belt and Road Initiative or China with this. According to Underline of the Financial Times, Pakistan is at risk of becoming a colony of China. Lagan (2017) stated that Western actors tend to paint

China as a threat in Africa, othering it from themselves, but it neglects the fact that Europe, the United States, China, and other emerging powers likewise facilitate economic and political interests through aid and trade in a manner that conflicts with African sovereignty.

South Korean land acquisitions

This article needs to be updated. Please update this article to reflect recent events or newly available information. (October 2012) To ensure a reliable, long-term supply of food, the South Korean government and powerful Korean multinationals bought farming rights to millions of hectares of agricultural land in under-developed countries. South Korea's RG Energy Resources Asset Management CEO Park Yong-so stressed that "the nation does not produce a single drop of crude oil and other key industrial minerals. To power economic growth and support people's livelihoods, we cannot emphasize too much that securing natural resources in foreign countries is a must for our future survival. "The head of the Food and Agriculture Organization (FAO), Jacques Dough, stated that the rise in land deals could create a form of " neocolonialism", with poor states producing food for the rich at the expense of their own hungry people. In 2008, South Korean multinational Daewoo Logistics secured 1.3 million hectares of farmland in Madagascar to grow maize and crops for biofuels. Roughly half of the country's arable land, as well as rainforests were to be converted into palm and corn monocultures, producing food for export from a country where a third of the population and 50 percent of children under 5 are malnourished, using South African workers instead of locals. Local residents were not consulted or informed, despite being dependent on the land for food and income. The controversial deal played a major part in prolonged anti-government protests that resulted in over a hundred deaths. This was a source of popular resentment that contributed to the fall of then-President Marc Ravalomanana. The new president, Andry Rajoelina, cancelled the deal. Tanzania later announced that South Korea was in talks to develop 100,000 hectares for food production and processing for 700 to 800 billion won. Scheduled to be completed in 2010, it was to be the largest single piece of overseas South Korean agricultural infrastructure ever built. In 2009, Hyundai Heavy Industries acquired a majority stake in a company cultivating 10,000 hectares of farmland in the Russian Far East and a South Korean provincial government secured 95,000 hectares of farmland in Oriental Mindoro, central Philippines, to grow corn. The South Jeolla province became the first provincial government to benefit from a new central government fund to develop farmland overseas, receiving a loan of \$1.9 million. The project was expected to produce 10,000 tonnes of feed in the first year.[48] South Korean multinationals and provincial governments purchased land in Sulawesi, Indonesia, Cambodia and Bulgan, Mongolia. The national South Korean government announced its intention to invest 30 billion won in land in Paraguay and Uruguay. As of 2009 discussions with Laos, Myanmar and Senegal were underway.

United States

There is an ongoing debate about whether certain actions by the United States should be considered neocolonialism. Nana J. Jhaveri, writing in Antipode, views the 2003 invasion of Iraq as a form of "petro imperialism," believing that the U.S. was motivated to go to war to attain vital oil reserves, rather than

to pursue the U.S. government's official rationale for the Iraq War ("a preemptive strike to disarm Saddam Hussein of his weapons of mass destruction").

Catholic Church

Although not always aligned with colonial policy, for example in its opposition to slavery in the Americas, modern senior Catholic churchmen have been prominent in their pronouncements about the peoples of former colonial territories, especially during the pontificate of Pope Francis. Thus at the 2014 Synod on the Family, Cardinal Walter Kasper said that African Catholics "should not tell us too much what we have to do." During the 2019 Synod on the Amazon, Austrian-born Bishop Erwin Kreuzer, a former bishop in Brazil, said at the October 9 Synod press conference that "there is no alternative" to abolishing celibacy in the Amazon basin because the [apparently primitive] natives "don't understand celibacy."

Other approaches

Although the concept of neocolonialism was originally developed within a Marxist theoretical framework and is generally employed by the political left, the term "neocolonialism" is found in other theoretical frameworks and charges of neocolonialism are now leveled against Marxist and other left-wing states, such as the previously mentioned Chinese policies.

Coloniality

"Coloniality" claims that knowledge production is strongly influenced by the context of the person producing the knowledge and that this has further disadvantaged developing countries with limited knowledge production infrastructure. It originated among critics of subaltern theories, which, although strongly de-colonial, are less concerned with the source of knowledge.

Cultural theory

Map of the European Union in the world, with Overseas Countries and Territories and Outermost Regions. One variant of neocolonialism theory critiques cultural colonialism, the desire of wealthy nations to control other nations' values and perceptions through cultural means such as media, language, education and religion, ultimately for economic reasons. One impact of this is "colonial mentality", feelings of inferiority that lead post-colonial societies to latch onto physical and cultural differences between the foreigners and themselves. Foreign ways become held in higher esteem than indigenous ways. Given that colonists and colonizers were generally of different races, the colonized may over time hold that the colonizers' race was responsible for their superiority. Rejections of the colonizers culture, such as the Negritude movement, have been employed to overcome these associations. Post-colonial importation or continuation of cultural mores or elements may be regarded as a form of neocolonialism.

Post colonialism

Post-colonialism theories in philosophy, political science, literature and film deal with the cultural legacy of colonial rule. Post-colonialism studies examine how once-colonized writers articulate their national identity; how knowledge about the colonized was generated and applied in service to the interests of the colonizer; and how colonialist literature justified colonialism by presenting the colonized people as inferior whose society, culture and economy must be managed for them. Post-colonial studies incorporate subaltern studies of "history from below"; post-colonial cultural evolution; the psychopathology of colonization (by Frantz Fanon); and the cinema of film makers such as the Cuban Third Cinema, e.g. Tomas Gutiérrez Alea, and Kidlat Tahimik.

Critical theory

Critiques of post colonialism/neocolonialism are evident in literary theory. International relations theory defined "post colonialism" as a field of study. While the lasting effects of cultural colonialism are of central interest, the intellectual antecedents in cultural critiques of neocolonialism are economic. Critical international relations theory references neocolonialism from Marxist positions as well as post positivist positions, including postmodernist, postcolonial and feminist approaches. These differ from both realism and liberalism in their epistemological and ontological premises. The neo-liberalist approach tends to depict modern forms of colonialism as a benevolent imperialism.

Conservation and neocolonialism

Wallenstein, and separately Frank, claim that the modern conservation movement, as practiced by international organisations such as the World Wide Fund for Nature, inadvertently developed a neocolonial relationship with underdeveloped nations. THE neo-colonialism of today represents imperialism in its final and perhaps its most dangerous stage. In the past it was possible to convert a country upon which a neo-colonial regime had been imposed — Egypt in the nineteenth century is an example — into a colonial territory. Today this process is no longer feasible. Old-fashioned colonialism is by no means entirely abolished. It still constitutes an African problem, but it is everywhere on the retreat. Once a territory has become nominally independent it is no longer possible, as it was in the last century, to reverse the process. Existing colonies may linger on, but no new colonies will be created. In place of colonialism as the main instrument of imperialism we have today neo-colonialism. The essence of neo-colonialism is that the State which is subject to it is, in theory, independent and has all the outward trappings of international sovereignty. In reality its economic system and thus its political policy is directed from outside. The methods and form of this direction can take various shapes. For example, in an extreme case the troops of the imperial power may garrison the territory of the neo-colonial State and control the government of it. More often, however, neo-colonialist control is exercised through economic or monetary means. The neo-colonial State may be obliged to take the manufactured products of the imperialist power to the exclusion of competing products from elsewhere. Control over government policy in the neo-colonial State may be secured by payments towards the cost of running the State, by the provision of civil servants in positions where they can dictate policy, and by monetary control over foreign exchange through the imposition of a banking system controlled by the imperial

power. Where neo-colonialism exists the power exercising control is often the State which formerly ruled the territory in question, but this is not necessarily so. For example, in the case of South Vietnam the former imperial power was France, but neo-colonial control of the State has now gone to the United States. It is possible that neo-colonial control may be exercised by a consortium of financial interests which are not specifically identifiable with any particular State. The control of the Congo by great international financial concerns is a case in point.

The result of neo-colonialism is that foreign capital is used for the exploitation rather than for the development of the less developed parts of the world. Investment under neo-colonialism increases rather than decreases the gap between the rich and the poor countries of the world. The struggle against neo-colonialism is not aimed at excluding the capital of the developed world from operating in less developed countries. It is aimed at preventing the financial power of the developed countries being used in such a way as to impoverish the less developed. Non-alignment, as practiced by Ghana and many other countries, is based on co-operation with all States whether they be capitalist, socialist or have a mixed economy. Such a policy, therefore, involves foreign investment from capitalist countries, but it must be invested in accordance with a national plan drawn up by the government of the non-aligned State with its own interests in mind. The issue is not what return the foreign investor receives on his investments. He may, in fact, do better for himself if he invests in a non-aligned country than if he invests in a neo-colonial one. The question is one of power. A State in the grip of neo-colonialism is not master of its own destiny. It is this factor which makes neo-colonialism such a serious threat to world peace. The growth of nuclear weapons has made out of date the old-fashioned balance of power which rested upon the ultimate sanction of a major war. Certainty of mutual mass destruction effectively prevents either of the great power blocs from threatening the other with the possibility of a world-wide war, and military conflict has thus become confined to 'limited wars'. For these neo-colonialism is the breeding ground. Such wars can, of course, take place in countries which are not neo-colonialist controlled. Indeed their object may be to establish in a small but independent country a neo-colonialist regime. The evil of neo-colonialism is that it prevents the formation of those large units which would make impossible 'limited war'. To give one example: if Africa was united, no major power bloc would attempt to subdue it by limited war because from the very nature of limited war, what can be achieved by it is itself limited. It is, only where small States exist that it is possible, by landing a few thousand marines or by financing a mercenary force, to secure a decisive result. The restriction of military action of 'limited wars' is, however, no guarantee of world peace and is likely to be the factor which will ultimately involve the great power blocs in a world war, however much both are determined to avoid it. Limited war, once embarked upon, achieves a momentum of its own. Of this, the war in South Vietnam is only one example. It escalates despite the desire of the great power blocs to keep it limited. While this particular war may be prevented from leading to a world conflict, the multiplication of similar limited wars can only have one end-world war and the terrible consequences of nuclear conflict. Neo-colonialism is also the worst form of imperialism. For those who practice it, it means power without responsibility and for those who suffer from it, it means exploitation without redress. In the days of old-fashioned colonialism, the imperial power had at least to explain and justify at home the actions it was

taking abroad. In the colony those who served the ruling imperial power could at least look to its protection against any violent move by their opponents. With neo-colonialism neither is the case. Above all, neo-colonialism, like colonialism before it, postpones the facing of the social issues which will have to be faced by the fully developed sector of the world before the danger of world war can be eliminated or the problem of world poverty resolved.

Neo-colonialism, like colonialism, is an attempt to export the social conflicts of the capitalist countries. The temporary success of this policy can be seen in the ever widening gap between the richer and the poorer nations of the world. But the internal contradictions and conflicts of neo-colonialism make it certain that it cannot endure as a permanent world policy. How it should be brought to an end is a problem that should be studied, above all, by the developed nations of the world, because it is they who will feel the full impact of the ultimate failure. The longer it continues the more certain it is that its inevitable collapse will destroy the social system of which they have made it a foundation. The reason for its development in the post-war period can be briefly summarized. The problem which faced the wealthy nations of the world at the end of the second world war was the impossibility of returning to the pre-war situation in which there was a great gulf between the few rich and the many poor. Irrespective of what particular political party was in power, the internal pressures in the rich countries of the world were such that no post-war capitalist country could survive unless it became a 'Welfare State'. There might be differences in degree in the extent of the social benefits given to the industrial and agricultural workers, but what was everywhere impossible was a return to the mass unemployment and to the low level of living of the pre-war years. From the end of the nineteenth century onwards, colonies had been regarded as a source of wealth which could be used to mitigate the class conflicts in the capitalist States and, as will be explained later, this policy had some success. But it failed in 'its ultimate object because the pre-war capitalist States were so organized internally that the bulk of the profit made from colonial possessions found its way into the pockets of the capitalist class and not into those of the workers. Far from achieving the object intended, the working-class parties at times tended to identify their interests with those of the colonial peoples and the imperialist powers found themselves engaged upon a conflict on two fronts, at home with their own workers and abroad against the growing forces of colonial liberation. The post-war period inaugurated a very different colonial policy. A deliberate attempt was made to divert colonial earnings from the wealthy class and use them instead generally to finance the 'Welfare State'. As will be seen from the examples given later, this was the method consciously adopted even by those working-class leaders who had before the war regarded the colonial peoples as their natural allies against their capitalist enemies at home. At first it was presumed that this object could be achieved by maintaining the pre-war colonial system. Experience soon proved that attempts to do so would be disastrous and would only provoke colonial wars, thus dissipating the anticipated gains from the continuance of the colonial regime. Britain, in particular, realized this at an early stage and the correctness of the British judgment at the time has subsequently been demonstrated by the defeat of French colonialism in the Far East and Algeria and the failure of the Dutch to retain any of their former colonial empire. The system of neo-colonialism was therefore instituted and in the short run it has served the developed powers admirably. It is in the long run that its

consequences are likely to be catastrophic for them. Neo-colonialism is based upon the principle of breaking up former large united colonial territories into a number of small non-viable States which are incapable of independent development and must rely upon the former imperial power for Defence and even internal security. Their economic and financial systems are linked, as in colonial days, with those of the former colonial ruler.

At first sight the scheme would appear to have many advantages for the developed countries of the world. All the profits of neo-colonialism can be secured if, in any given area, a reasonable proportion of the States have a neo-colonialist system. It is not necessary that they all should have one. Unless small States can combine they must be compelled to sell their primary products at prices dictated by the developed nations and buy their manufactured goods at the prices fixed by them. So long as neo-colonialism can prevent political and economic conditions for optimum development, the developing countries, whether they are under neo-colonialist control or not, will be unable to create a large enough market to support industrialization. In the same way they will lack the financial strength to force the developed countries to accept their primary products at a fair price. In the neo-colonialist territories, since the former colonial power has in theory relinquished political control, if the social conditions occasioned by neo-colonialism cause a revolt the local neo-colonialist government can be sacrificed and another equally subservient one substituted in its place. On the other hand, in any continent where neo-colonialism exists on a wide scale the same social pressures which can produce revolts in neo-colonial territories will also affect those States which have refused to accept the system and therefore neo-colonialist nations have a ready-made weapon with which they can threaten their opponents if they appear successfully to be challenging the system. These advantages, which seem at first sight so obvious, are, however, on examination, illusory because they fail to take into consideration the facts of the world today. The introduction of neo-colonialism increases the rivalry between the great powers which was provoked by the old-style colonialism. However little real power the government of a neo-colonialist State may possess, it must have, from the very fact of its nominal independence, a certain area of man oeuvre. It may not be able to exist without a neo-colonialist master but it may still have the ability to change masters. The ideal neo-colonialist State would be one which was wholly subservient to neo-colonialist interests but the existence of the socialist nations makes it impossible to enforce the full rigour of the neo-colonialist system. The existence of an alternative system is itself a challenge to the neo-colonialist regime. Warnings about 'the dangers of Communist subversion are likely to be two-edged since they bring to the notice of those living under a neo-colonialist system the possibility of a change of regime. In fact neo-colonialism is the victim of its own contradictions. In order to make it attractive to those upon whom it is practiced it must be shown as capable of raising their living standards, but the economic object of neo-colonialism is to keep those standards depressed in the interest of the developed countries. It is only when this contradiction is understood that the failure of innumerable 'aid' programmes, many of them well intentioned, can be explained. In the first place, the rulers of neo-colonial States derive their authority to govern, not from the will of the people, but from the support which they obtain from their neo-colonialist masters. They have therefore little interest in developing education, strengthening the bargaining power of their workers employed by expatriate

firms, or indeed of taking any step which would challenge the colonial pattern of commerce and industry, which it is the object of neo-colonialism to preserve. 'Aid', therefore, to a neo-colonial State is merely a revolving credit, paid by the neo-colonial master, passing through the neo-colonial State and returning to the neo-colonial master in the form of increased profits.

Secondly, it is in the field of 'aid' that the rivalry of individual developed States first manifests itself. So long as neo-colonialism persists so long will spheres of interest persist, and this makes multilateral aid — which is in fact the only effective form of aid — impossible. Once multilateral aid begins the neo-colonialist masters are faced by the hostility of the vested interests in their own country. Their manufacturers naturally object to any attempt to raise the price of the raw materials which they obtain from the neo-colonialist territory in question, or to the establishment there of manufacturing industries which might compete directly or indirectly with their own exports to the territory. Even education is suspect as likely to produce a student movement and it is, of course, true that in many less developed countries the students have been in the vanguard of the fight against neo-colonialism. In the end the situation arises that the only type of aid which the neo-colonialist masters consider as safe is 'military aid'. Once a neo-colonialist territory is brought to such a state of economic chaos and misery that revolt actually breaks out then, and only then, is there no limit to the generosity of the neo-colonial overlord, provided, of course, that the funds supplied are utilized exclusively for military purposes. Military aid in fact marks the last stage of neo-colonialism and its effect is self-destructive. Sooner or later the weapons supplied pass into the hands of the opponents of the neo-colonialist regime and the war itself increases the social misery which originally provoked it. Neo-colonialism is a mill-stone around the necks of the developed countries which practice it. Unless they can rid themselves of it, it will drown them. Previously the developed powers could escape from the contradictions of neo-colonialism by substituting for it direct colonialism. Such a solution is no longer possible and the reasons for it have been well explained by Mr. Owen Lattimore, the United States Far Eastern expert and adviser to Chiang Kai-shek in the immediate post-war period. He wrote: 'Asia, which was so easily and swiftly subjugated by conquerors in the eighteenth and nineteenth centuries, displayed an amazing ability stubbornly to resist modern armies equipped with aero planes, tanks, motor vehicles and mobile artillery. 'Formerly big territories were conquered in Asia with small forces. Income, first of all from plunder, then from direct taxes and lastly from trade, capital investments and long-term exploitation, covered with incredible speed the expenditure for military operations. This arithmetic represented a great temptation to strong countries. Now they have run up against another arithmetic, and it discourages them. 'The same arithmetic is likely to apply throughout the less developed world. This book is therefore an attempt to examine neo-colonialism not only in its African context and its relation to African unity, but in world perspective. Neo-colonialism is by no means exclusively an African question. Long before it was practiced on any large scale in Africa it was an established system in other parts of the world. Nowhere has it proved successful, either in raising living standards or in ultimately benefiting countries which have indulged in it. Marx predicted that the growing gap between the wealth of the possessing classes and the workers it employs would ultimately produce a conflict fatal to capitalism in each individual capitalist State. This conflict between the rich and the poor has now been transferred on to the

international scene, but for proof of what is acknowledged to be happening it is no longer necessary to consult the classical Marxist writers. The situation is set out with the utmost clarity in the leading organs of capitalist opinion. Take for example the following extracts from The Wall Street Journal, the newspaper which perhaps best reflects United States capitalist thinking.

In its issue of 12 May 1965, under the headline of 'Poor Nations' Plight', the paper first analyses 'which countries are considered industrial and which backward'. There is, it explains, 'no rigid method of classification'. Nevertheless, it points out: 'A generally used breakdown, however, has recently been maintained by the International Monetary Fund because, in the words of an IMF official, "the economic demarcation in the world is getting increasingly apparent."' The break-down, the official says, "is based on simple common sense.'" In the IMF's view, the industrial countries are the United States, the United Kingdom, most West European nations, Canada and Japan. A special category called "other developed areas" includes such other European lands as Finland, Greece and Ireland, plus Australia, New Zealand and South Africa. The IMF's "less developed" category embraces all of Latin America and nearly all of the Middle East, non-Communist Asia and Africa.' In other words the 'backward' countries are those situated in the neo-colonial areas. After quoting figures to support its argument, The Wall Street Journal comments on this situation: 'The industrial nations have added nearly \$2 billion to their reserves, which now approximate \$52 billion. At the same time, the reserves of the less-developed group not only have stopped rising, but have declined some \$200 million. To analysts such as Britain's Miss Ward, the significance of such statistics is clear: the economic gap is rapidly widening "between a white, complacent, highly bourgeois, very wealthy, very small North Atlantic elite and everybody else, and this is not a very comfortable heritage to leave to one's children." "Everybody else" includes approximately two-thirds of the population of the earth, spread through about 100 nations.' This is no new problem. In the opening paragraph of his book, *The War on World Poverty*, written in 1953, the present British Labour leader, Mr. Harold Wilson, summarized the major problem of the world as he then saw it: 'For the vast majority of mankind the most urgent problem is not war, or Communism, or the cost of living, or taxation. It is hunger. Over 1,500,000,000 people, some-thing like two-thirds of the world's population, are living in conditions of acute hunger, defined in terms of identifiable nutritional disease. This hunger is at the same time the effect and the cause of the poverty, squalor and misery in which they live.' Its consequences are likewise understood. The correspondent of The Wall Street Journal previously quoted, underlines them: '... many diplomats and economists view the implications as overwhelmingly — and dangerously — political. Unless the present decline can be reversed, these analysts fear, the United States and other wealthy industrial powers of the West face the distinct possibility, in the words of British economist Barbara Ward, "of a sort of international class war".' What is lacking are any positive proposals for dealing with the situation. All that The Wall Street Journal's correspondent can do is to point out that the traditional methods recommended for curing the evils are only likely to make the situation worse. It has been argued that the developed nations should effectively assist the poorer parts of the world, and that the whole world should be turned into a Welfare State. However, there seems little prospect that anything of this sort could be achieved. The so-called 'aid' programmes to help backward economies represent, according to a rough U.N. estimate, only one half

of one per cent of the total income of industrial countries. But when it comes to the prospect of increasing such aid the mood is one of pessimism: 'A large school of thought holds that expanded share-the-wealth schemes are idealistic and impractical. This school contends climate, undeveloped human skills, lack of natural resources and other factors — not just lack of money — retard economic progress in many of these lands, and that the countries lack personnel with the training or will to use vastly expanded aid effectively. Share-the-wealth schemes, according to this view, would be like pouring money down a bottomless well, weakening the donor nations without effectively curing the ills of the recipients.' The absurdity of this argument is demonstrated by the fact that every one of the reasons quoted to prove why the less developed parts of the world cannot be developed applied equally strongly to the present developed countries in the period prior to their development. The argument is only true in this sense. The less developed world will not become developed through the goodwill or generosity of the developed powers. It can only become developed through a struggle against the external forces which have a vested interest in keeping it undeveloped. Of these forces, neo-colonialism is, at this stage of history, the principal. I propose to analyze neo-colonialism, first, by examining the state of the African continent and showing how neo-colonialism at the moment keeps it artificially poor. Next, I propose to show how in practice African Unity, which in itself can only be established by the defeat of neo-colonialism, could immensely raise African living standards. From this beginning, I propose to examine neo-colonialism generally, first historically and then by a consideration of the great international monopolies whose continued stranglehold on the neo-colonial sectors of the world ensures the continuation of the system.

Neocolonialism-political aspects

Political independence, however, was not matched by full local control. At the Bandung Conference of non-aligned states in April 1955, the Indonesian president, Ahmed Sukarno, claimed that colonialism 'has also its modern dress, in the form of economic control, intellectual control...by a small but alien community within a nation.' This perspective, similar to Said's, gave birth to the idea of 'neocolonialism' and fitted well with the growing strength of Marxist scholarship in the 1960s and 1970s. The word itself probably first appeared in 1961 in the pages of the radical journals *The New Statesman* and *The New Left* review, but it was soon common usage in most European languages. Lord Home, when British Foreign Secretary, attempted at the United Nations in October 1961 to answer 'the charge of neo-colonialism.' With the end of formal control over most of the empires, scholars and activists still perceived a decisive degree of control exercised by the metropolitan powers, essentially through economic, technological, and cultural dominance (Crozier 1964). Francophone scholars spoke of the Philippines as being 'entièrement néocolonisés par les Etats Unis.' Charges of neocolonialism were not limited to the great colonial powers but were extended to any state from the rich and developed world exerting influence over the policies of poor and less developed countries. Several forms have been identified. Political, economic, and cultural forces have been said so to constrain the choices available to such countries that they are determined by the interests of the stronger states. Further, it has been argued that the rapid decolonization was a calculated policy to move from overt colonial rule to indirect control through political superiority in the international community, economic dominance, and cultural influences. While the evidence for such a conscious policy is weak, the poorer ex-colonies were

undoubtedly constrained by their political, economic, and cultural inheritances. Some states responded more robustly and effectively than others to their weaknesses.