

# The Republican Party's Delusional Attachment To Trump Sets The Stage For The Acceleration Of Neoliberal Proto-Fascism



*The strategic objective of the Republican Party is not simply to engage in obstructionism, but to continue dividing the nation and radicalizing the American public against the democratic system.*

Liz Cheney's removal from House GOP leadership over her rejection of Trump's election lies and Republican senators' blocking of a bipartisan proposal to create an independent panel that would investigate the Capitol siege reveal in stark terms at least two things: (a) that Republicans have built a cult of personality around Trump, and (b) that they are now at the mercy of the proto-fascist mob that their Dear Leader energized and nurtured during his four-year tenure in the White House.

Either way, the fact of the matter is that, for purposes of political expediency, the GOP has opted to become a dark political force, relying almost entirely on lies and deception—while at the same time waging a coordinated onslaught on voting rights—as its governing techniques. As such, it represents a real threat to the stability of the republic.

Following Trump's defeat, the strategic objective of the Republican Party is not simply to engage in obstructionism, but to continue dividing the nation and radicalizing the American public against the democratic system. This is the only way that the Republican Party can hope to stay in the game in the political, economic, social, and cultural landscape that defines 21st century America.

Always the party of Big Business and the rich, the Republican Party has oscillated from conservatism to reactionism pretty much throughout the twentieth century and the early part of the twenty-first centuries, but today's GOP has gone so far

toward abandoning basic democratic norms that it now belongs firmly in the political universe of parties and movements that [make up the far-right](#). In fact, it is considered to be more extreme than Le Pen's National Rally, according to findings based on data collected from the [Manifesto Project](#).

The political identity of today's GOP reflects a decades-long transformation. It begins to take form sometimes during the early 2010s, a decade that historian Andrew Bacevich characterized as an era of "venomous division." Driven primarily by fear of losing power in an increasingly diverse United States, the GOP made a dramatic shift towards extremism as a way of mobilizing white working-class voters, who experienced income stagnation and felt deep economic insecurity thanks to 40 years of brutal neoliberal capitalist policies, and scaring the hell out of the petty bourgeoisie with visions of chaos and disorder brought about by radical forces bent on destroying America and its traditional values and way of life.

Indeed, well before Trump threw his hat in the ring for Presidency, a 2013 [survey](#) of local party leaders found that, in contrast to Democrats who preferred more extreme candidates to more moderate candidates by a 2-to-1 margin, Republicans did so by 10-to-1.

Of course, it is Trump himself who solidifies the shift towards extremism. Fully cognizant of the mood both inside the Republican Party and the country as a whole, especially with a large segment of disenchanted and angry white voters seeing equal opportunity as a zero-sum game for them, Trump embarks on the complete transformation of the GOP into an extremist political party by lurching towards reactionary nationalism and diving deeply into nativism with his MAGA campaign slogan and inflammatory rhetoric about immigrants, Muslims, and African-Americans, respectively.

Trump also breaks with elite bipartisan consensus on a broad range of other issues, including trade and foreign policy, in order to secure his image as a unique figure in American politics, while falsehoods and outright lies become indispensable weapons on his performative proto-fascist march towards power.

To be sure, this was a bid for power with a strong resemblance to the political strategy that authoritarian parties have long adopted in many parts of the world, including that of the Nazi Party between 1919-1933. An unmistakable sign of

Trump's "performative proto-fascism" was also his dalliance with armed militias—undoubtedly as grave a threat to democracy as were Hitler's brown shirts.

Trump's tenure in office ended on the same note as his rise to power—namely, with another act of "performative proto-fascism." His rejection of the 2020 election as "the big lie" was intended to cement in the minds of his fanatical base the idea of a "deep state" conspiracy and, subsequently, undermine democratic procedures. A movement built on lies, deception, and sheer propaganda can only be maintained by the very same tactics that energized it. There is no other way around it.

The reason that Republicans have opted to continue down the path charted by Trump is because this is now the only way to maintain the support of the proto-fascist base. Without that support, the GOP will have to reinvent its political identity—no small task for a party that has made a remarkable transition from conservatism to reactionism and finally to neoliberal proto-fascism—or cease to exist.

However, the paradox that Republicans face in the post-Trump era is that they cannot sustain a movement built around the cult of personality without the presence of a charismatic leader in its midst. In this sense, the Republicans can continue with Trumpist shenanigans as long as Trump is still around and politically active, but sooner or later they would have to look for an appropriate replacement—and perhaps an authentic fascist—otherwise the proto-fascist base may gradually begin to wither away.

What the future holds for the American republic is impossible to predict. However, what is abundantly clear right now is that with its delusional attachment to Trump, the GOP is methodically dragging the country into the abyss of instability, chaos, and proto-fascism.

Source: <https://www.commondreams.org/>

*C.J. Polychroniou* is a political economist/political scientist who has taught and worked in numerous universities and research centers in Europe and the United States. He has published scores of books and his articles have appeared in a variety of journals, magazines, newspapers, and popular news websites. His latest books are [\*Optimism Over Despair: Noam Chomsky On Capitalism, Empire, and\*](#)

[\*Social Change\*](#), an anthology of interviews with Chomsky originally published at *Truthout* and collected by Haymarket Books; *Climate Crisis and the Global Green New Deal: The Political Economy of Saving the Planet* (with Noam Chomsky and Robert Pollin as primary authors); and *The Precipice: Neoliberalism, the Pandemic, and the Urgent Need for Radical Change*, an anthology of interviews with Chomsky originally published at *Truthout* and collected by Haymarket Books (scheduled for publication in June 2021).

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# Minouche Shafik - Samen - Een nieuw sociaal contract voor de 21e eeuw



*Minouche Shafik - Ills.:  
Joseph Sassoon Semah*

‘Wij hebben een nieuw sociaal contract nodig dat beter in elkaar zit, dat zekerheid en kansen biedt voor iedereen. Een sociaal contract dat minder gaat over ‘mij’ en meer over ‘wij’, dat onze onderlinge afhankelijkheid onderkent en daar tot ons wederzijds profijt gebruik van maakt.’

Het huidige sociale contract staat onder druk. Het is het moment om tot een eerlijker sociaal contract te komen, het lijkt alsof we het huidige neoliberalisme in bepaalde mate achter ons willen laten, aldus Minouche Shafik. Ons sociaal contract is bezweken onder de druk van technologische en demografische veranderingen. Ze hebben onze wereld ingrijpend getransformeerd, met gevolgen voor inkomensverschillen, gendergelijkheid, onderwijs, gezondheidszorg en werk. We leven steeds vaker in een je-staat-er-alleen voor samenleving, hetgeen niet alleen onrechtvaardig is, maar ook veel minder efficiënt en productief dan wanneer de risico's worden gespreid over de hele samenleving.

Minouche Shafik neemt ons mee door de stadia van het leven- opvoeden van kinderen, volgen van onderwijs, ziek worden, oud worden- en maakt duidelijk hoe we onze samenleving in elk stadium en op elk niveau kunnen herordenen.

Ze pleit voor zekerheid voor iedereen middels een gegarandeerd minimuminkomen, recht op onderwijs, basisgezondheidszorg en bescherming tegen armoede tijdens de ouderdom.

Ze pleit voor een maximaal investeren in capaciteiten zodat de productiviteit wordt verhoogd, onder andere met hulp van digitale techniek in bijvoorbeeld de gezondheidszorg.

Er is ook veel ongebruikt talent van opgeleide vrouwen, minderheden en kinderen uit arme gezinnen. En ze pleit voor een eerlijke en efficiënte spreiding van risico's. In het toekomstige sociaal contract zal toenemende flexibiliteit in arbeidskrachten gecombineerd moeten worden met meer zekerheid. Jonge mensen moeten worden erkend in een sociaal contract tussen de generaties, zij die nu leven moeten iets doen aan de erfenis van milieuschade (we hebben een veel te grote aanslag op het milieu gepleegd) en staatsschulden.

Iedereen moet zo lang mogelijk een bijdrage leveren aan de samenleving en burgers zullen ook meer verantwoordelijkheid moeten nemen voor hun gezondheid.

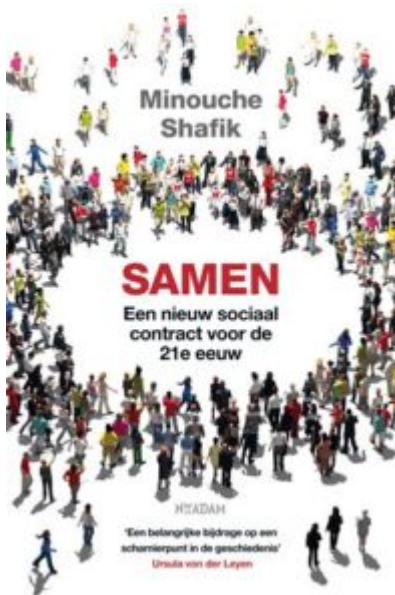
Ze stelt zichzelf de vraag hoe we nieuw sociaal contract moeten financieren in een richting die haalbaar is. Betekent een nieuw sociaal contract een enorme toename van de overheidsuitgaven en een sterke verhoging van de belastingen om een gesubsidieerde kinderopvang, voorschoolse educatie en permanente scholing, toegankelijke gezondheidszorg en een staatspensioen mogelijk te maken? Shafik ziet een deel van deze uitgaven als investering, die in de toekomst hogere belastinginkomsten zullen genereren, maar ook het milieu zullen

verbeteren. Dat biedt de mogelijkheid kapitaal te lenen. Een aantal posten keren echter steeds terug, zoals pensioenen en een deel van de gezondheidszorg. Deze kosten moeten daarom worden gefinancierd uit belastingheffing, tenminste in de hoogontwikkelde landen.

Om de klimaatverandering af te remmen moeten we Co2-belasting heffen.

Een nieuw sociaal contract vraagt ook een andere rol van overheid en bedrijfsleven. Het bedrijfsleven zou zich moeten richten op meer winnaars door te investeren in onderwijs en vaardigheden, door achtergebleven regio's te voorzien van een betere infrastructuur en door innovatie en productiviteit te bevorderen. De overheid zal verantwoordelijk moeten zijn voor een minimaal stelsel van voorzieningen, die iedereen beschermen tegen grote tegenslagen en die worden betaald uit de belastingen, aldus Shafik. De belastingdruk moet verschuiven zodat een gelijk spelveld ontstaat tussen kapitaal en arbeid. Er moet worden opgetreden tegen het ontwijken van vennootschapsbelasting.

De ontwikkeling van het sociaal contract is in de meeste landen afhankelijk van de structuur van het politieke bestel, de effectiviteit van de controlerende mechanismen, de opkomst van politieke coalities en de kansen die voortkomen uit crises, zoals nu de coronacrisis, waarbij vooral de meest kwetsbaren lijden onder de pandemie en het heeft laten zien wat de zwakke plekken zijn van de gezondheidszorg en ouderenzorg. Landen met een presidentieel en meerderheidsstelsel en autoritaire regimes kennen meestal een kleiner overheidsapparaat en een minder genereus sociaal contract. Er zijn minder prikkels om rekening te houden met minderheden. Landen met een stelsel van evenredige vertegenwoordiging en die inclusiever zijn bieden de beste kansen voor een goed functionerend sociaal contract.



De coalitie voor een nieuw sociaal contract is in potentie groot en divers. Jonge mensen zijn gemobiliseerd door middel van acties voor een beter milieu en de mogelijkheden van een levenslang onderwijstegoed, als compensatie voor wat ze zijn kwijtgeraakt. Mensen zonder vast contract zullen vaker om zekerheid, opleidingen en omscholingsmogelijkheden gaan vragen. Het belang van een toegankelijke gezondheidszorg, het aanmoedigen van preventiemaatregelen zijn aangetoond in de pandemie.

In *Samen* draagt Minouche Shafik de bouwstenen aan voor een nieuw sociaal contract, waarin meer onze onderlinge afhankelijkheden wordt onderkend, meer in mensen wordt geïnvesteerd, maar ook meer van individuen wordt verwacht.

Minouche Shafik - *Samen. Een nieuw sociaal contract voor de 21 e eeuw*. Uitgeverij Nieuw Amsterdam, Amsterdam, 2021. ISBN: 9789046826799

*Minouche Shafik* is directeur van de London School of Economics and Political Science. Ze was vicepresident van de Wereldbank en bekleedde hoge posities bij het IMF en de Bank of England.

Zie ook:

Professor Amartya Sen, Lamont University Professor and Professor of Economics and Philosophy, Harvard, deliver a Distinguished Public Lecture on 18 January 2017 in the Sheldonian Theatre: *Democracy and Social Decisions*

[www.ophi.org.uk](http://www.ophi.org.uk)

*Linda Bouws - St. Metropool Internationale Kunstprojecten*

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# The World Trade Organization Is Threatening Vaccine Equity And Climate Goals



Jayati Ghosh - Photo:  
[en.wikipedia.org](https://en.wikipedia.org)

The huge COVID-19 vaccine supply gap between rich and poor countries exposes the deadly problem of intellectual property (IP) rights and the dangerous monopoly power of Big Pharma. It also exposes in glaring terms the failures of the entire system of global trading rules regulated by the World Trade Organization (WTO). In this exclusive interview for *Truthout*, Jayati Ghosh, one of the world's leading development economists, dissects the question of intellectual property rights relating to vaccines and argues that the WTO is a vehicle for international imperialism. Ghosh taught economics at Jawaharlal Nehru University, New Delhi, for nearly 35 years, and has been professor of economics at the University of Massachusetts at Amherst since 2021. This year, the United Nations named her to be on the High-Level Advisory Board on Economics and Social Affairs.

*C.J. Polychroniou: The COVID-19 health disaster brought to the surface a multitude of issues, problems and faults associated with the workings of a capitalist world, not least of which are the rules of the WTO overintellectual property rights relating to vaccines. What are the facts and the myths behind*



## *WTO's intellectual property rules?*

*Jayati Ghosh:* Intellectual property is governed at the global level by a World Trade Organization treaty called the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement. This agreement was itself the result of active corporate lobbying: [Susan Sell has provided a detailed and devastating account](#) of how 12 powerful men from pharma, software and entertainment effectively lobbied to make the U.S. government insist on inclusion of this agreement in the set of agreements negotiated at the Uruguay Round of GATT (General Agreement on Tariffs and Trade), which was signed in 1994. The TRIPS agreement intervened in legal systems of all member countries, by putting the burden of proof on the accused rather than the accuser, adopting a much looser definition of “invention” that allowed much more private control of knowledge, and then by making all the rules much stricter and more stringent so that it became much easier to claim infringement. This effectively grants a monopoly over knowledge that companies can use to limit production and increase their own market power. Over the past decades, this has become a major limitation on the dissemination of knowledge and technology for the common good, and essentially benefited large companies who now hold most of the IP rights in the world.

Patents and other intellectual property rules are usually seen as providing a necessary financial reward for invention/innovation, without which technological change would either not occur or be more limited. The pharma industry argues that costs of developing new drugs are very high and there are high risks involved, because the drugs may not succeed even after years of effort, and so they must be granted property rights over this knowledge and be allowed to charge high prices thereafter.

But actually, pharma companies typically only do the “last mile” research for most drugs, vaccines and therapeutics: the bulk of the research — not just the basic science, but also more advanced discoveries that enable breakthroughs — is publicly funded. Big companies increasingly just acquire promising compounds and other knowledge from labs and smaller companies that benefit from public investments. Pharma companies in the U.S., for example, have [spent relatively little on R&D](#) — much less than they spend on advertising and marketing, and a small fraction of what they pay out to shareholders or spend in share buybacks designed to increase stock prices.

In addition, in the specific case of COVID-19 vaccines, big pharma companies not only [benefited from prior publicly funded research](#) and reduced costs of clinical testing because of more unpaid volunteers for trials, they received massive subsidies from governments that have mostly covered their R&D costs. In the U.S. alone, the [six major vaccine companies received over \\$12 billion in public subsidies](#); other rich-country governments also provided subsidies to these companies for developing these vaccines. Yet the companies were granted exclusive rights over this knowledge, which they are now using to limit supply and keep prices high even as the global pandemic rages on in the developing world.

Consider the AstraZeneca vaccine, developed by a publicly funded lab in Oxford University. The original distribution model was for an open-license platform, designed to make the vaccine freely available for any manufacturer. However, the Gates Foundation, which had donated \$750 million to Oxford for health-related research, persuaded the university to sign [an exclusive vaccine deal with AstraZeneca](#) that gave the pharmaceutical giant sole rights. The company promised not to make profits on the vaccine during the pandemic, but because of the competition for doses and opacity in contracts, the [range of reported prices of vaccines is vast](#), from \$2.19 to as much as \$40 per dose. The major pharma companies producing COVID-19 vaccines are already estimating massive super-profits in 2021 because of the artificially created shortage [effected by the] control over knowledge.

*In October 2020, South Africa and India proposed a waiver of IP rights for COVID-19 vaccines. In an unexpected but welcome move, the Biden administration also backed the waiver and encouraged other countries to do the same on account of some extraordinary circumstances at play. The move has now received support from over 120 countries, but it has been opposed by pharmaceutical companies. Should the waiver be temporary, or apply permanently to all private patents on technologies, knowledge and vaccines related to COVID-19 and vital medicines?*

India and South Africa requested the WTO to allow all countries to choose to neither grant nor enforce patents and other IP related to COVID-19 drugs, vaccines, diagnostics, and other technologies for the duration of the pandemic, until global herd immunity is achieved. This waiver would apply only to COVID-19-related vaccines, drugs and treatments; it does not mean a waiver from all TRIPS obligations. They could also more easily collaborate in research and

development, technology transfer, manufacturing, scaling up and supplying COVID-19 tools.

This is a very limited demand, which develops the argument already in the TRIPS agreement that intellectual property rules can be waived “in exceptional circumstances.” All it does is to protect countries from having trade-dispute mechanisms brought against them by rich country governments in the WTO — it does not ensure the transfer of the required knowledge, for which further measures are required: for example, by governments forcing the companies that benefited from public subsidies to share their technology with other producers.

Some argue that the TRIPS agreement already contains a clause on compulsory licensing by countries that do have production capacity that provides flexibility on patents. But this is too limited in scope and time-consuming, since it must be done item-by-item between companies, and could then be subject to disputes in the WTO.

Even this very limited demand is being fought tooth-and-nail by pharma companies (and consequently by some rich country governments). It is good news that President Biden has dropped U.S. opposition to this waiver, but several European governments with big pharma companies are still opposing it. This is surprising, because such suspension would also benefit their own populations if it made available more vaccines quickly, and larger supply would reduce costs of additional vaccines, making them cheaper for governments and taxpayers across the world, with hopes of finally bringing the pandemic under control.

This is a system that is broken and needs to be fixed urgently. The only beneficiaries are big pharma companies — people across the world suffer, and so do other businesses, as economic activity cannot recover as long as the virus continues to spread and destroy lives and livelihoods. The current demand for a waiver applies only to this pandemic, but it is clear that the entire system of health-related innovation, which is really subsidized and funded by the public, must be restructured to make sure that it operates for public benefit across the world. Otherwise, future health threats will also be hard to combat collectively. Even the recent report of the UN Secretary General’s [High-Level Panel on Access to Medicines](#) had recommended that governments increase their own investment in health-related innovations and ensure wider access to the outcomes by preventing privatization of the knowledge.

*What about trade secrets as a class of protected right for intellectual property rights holders? Should they also be suspended?*

The current proposal in the WTO correctly asks for a waiver on all intellectual property related to preventive, diagnostic and treatment tools, because many of the restrictions in supply come from other IP rights like those for industrial design and trade secrets.

For example, it has been estimated that there are around 64 different IP rights involved in the production of the mRNA vaccines, which have been licensed to Moderna and Pfizer — but new producers would then have to also apply for all of these licenses. A waiver would solve that problem. But, I repeat that the TRIPS waiver is only a first step. It does not ensure that the requisite knowledge will be shared — for that, further pressure needs to be applied by governments to the concerned companies.

*It has been argued that WTO rules restrict the policy space of developing countries in particular. How so, and does world trade really need the World Trade Organization?*

The TRIPS agreement is a particularly extreme example of how the WTO rules affect the policy space of developing countries, but it is by no means the only one. Many agreements of the WTO operate to restrict development policies of countries, including many of the strategies that were adopted by the rich countries when they were at earlier stages of development. Most industrialized countries protected their “infant industries,” from the U.K. in the 16th and 17th centuries, the U.S. in the 18th and 19th century, and Germany in the 19th century, to Japan, South Korea, and most recently, China in the 20th century. Yet most of the policies they adopted are no longer permitted by the WTO and its various agreements.

Even concerns like preventing hunger and ensuring food security for a poor population are under threat. When India sought to implement a National Food Security Act that would ensure access to minimum food grain provision among the poor population by procuring this from farmers and selling at a slightly subsidized price to poor households, it immediately faced a dispute against it in the WTO brought by the U.S. government. This dispute relied on detailed wording in the WTO Agreement on Agriculture, which prevents this even though it allows

the U.S. to spend many times that amount in providing food stamps to its own poor population. India had to struggle to obtain a “Peace Clause” to allow it to continue its public food distribution program, but the dispute still hangs over it.

Similarly, developed countries keep demanding that developing countries also reduce their carbon emissions (even though their per capita emissions are tiny compared to those of the Global North). But when they try to promote renewable energy by providing subsidies, they once again face cases in the WTO. Both China and India have had to deal with disputes brought by the WTO against the subsidies they have provided to solar and wind energy producers. So even globally desirable environmental goals are threatened by the way that the WTO functions.

It is true that in an unequal world in which economic and geopolitical power is so unevenly distributed, multilateralism is always better than a situation in which the powerful players can pick on weaker countries individually. But the way in which the WTO has functioned raises serious questions about its ability to rectify these power imbalances. Instead, it has often been one of the various ways in which the international legal architecture operates to support imperialism.

Source: <https://truthout.org/articles/the-world-trade-organization>

*C.J. Polychroniou* is a political economist/political scientist who has taught and worked in numerous universities and research centers in Europe and the United States. Currently, his main research interests are in European economic integration, globalization, climate change, the political economy of the United States, and the deconstruction of neoliberalism’s politico-economic project. He is a regular contributor to *Truthout* as well as a member of *Truthout*’s Public Intellectual Project. He has published scores of books, and his articles have appeared in a variety of journals, magazines, newspapers and popular news websites. Many of his publications have been translated into several foreign languages, including Arabic, Croatian, Dutch, French, Greek, Italian, Portuguese, Russian, Spanish and Turkish. His latest books are [\*Optimism Over Despair: Noam Chomsky On Capitalism, Empire, and Social Change\*](#), an anthology of interviews with Chomsky originally published at *Truthout* and collected by Haymarket Books; *Climate Crisis and the Global Green New Deal: The Political Economy of Saving the Planet* (with Noam Chomsky and Robert Pollin as primary authors); and *The Precipice: Neoliberalism, the Pandemic, and the Urgent Need for Radical Change*,

an anthology of interviews with Chomsky originally published at *Truthout* and collected by Haymarket Books (scheduled for publication in June 2021).

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# Great Power Competition Is Escalating To Dangerous Levels: An Interview With Richard Falk



*Richard Falk*

Great power competition has emerged as a key priority for U.S. foreign policy under the Biden administration. In fact, we may be already at the start of a new New Cold War, according to Richard Falk, one of the world's leading scholars in the fields of global politics and international law, in the interview below. Falk has also been a leading activist since the Vietnam war, and has published more than fifty books and thousands of essays. His latest book is a political memoir titled [Public Intellectual: The Life of a Citizen Pilgrim](#) (Clarity Press, 2021). Falk is Professor Emeritus of International Law at Princeton University, where he taught for nearly half a century, and Chair of Global Law at Queen Mary University of London.

*C. J. Polychroniou:* Richard, US foreign policy under the Biden administration is geared toward escalating the strategic competition with both China and Russia. Indeed, the Interim National Strategic Guidance, released in March 2021, makes it abundantly clear that the US intends to deter its adversaries from “inhibiting

access to global commons, or dominating key regions” and that, moreover, this work cannot be done alone, as was the case under Trump, but will require the reinvigoration and modernization of the alliance system across the world. Does this read to you like a call for the start of a new New Cold War?

*Richard Falk:* Yes, I would say it is more than ‘the call’ for a New Cold War, but its start. The focus is presently much more China than Russia, because China is seen by Washington as posing the primary threat, and besides, it regards Russia as a traditional rival while China poses novel and more fundamental challenges. Russia, while behaving in an unsavory manner, dramatized by the crude handling of the opposition figure Alexei Navalny, is seen as manageable geopolitically. Euro-American strategy is to stiffen resistance to Russian pressure being exerted along some of its borders, and as in the Cold War can be handled by refurbished versions of ‘containment’ and ‘deterrence.’

China is another matter entirely. The most serious perceived threats are mainly associated with non-military sectors of Western, and particularly, U.S., primacy, its dominance over a dynamic productive economy, especially with respect to frontier technologies. The remarkable developmental dynamism of the Chinese economy has far outstripped anything ever achieved in the West. The United States Government under Biden seems stubbornly blindsided, seemingly determined to address these Chinese threats as if they could be effectively addressed by a combination of ideological confrontation and as with Soviet Union, containment and deterrence. So far, the Biden response is fundamentally mistaken in its approach, which is to view China as a similar adversary than was the Soviet Union. This Chinese challenge cannot be successfully met frontally. It can only be met by a diagnosis of the relative decline of the West by way of self-scrutiny, selective emulation, and a surge of creative adaptive energies. Such a response needs to be accompanied by a reformist agenda of socio-economic equity, massive infrastructure investment, the adoption of fairer wealth and income tax structures, and a commitment to a style of global leadership that identified the national interest to a greater extent with global public goods. Instead of focusing on holding China in check, the United States would do much better by learning from its successes, and adapting them to the distinctiveness of its national circumstances.

It is to be regretted that the present mode of response to China is dangerous and anachronistic for four principal reasons. Firstly, the mischaracterization of the

Chinese challenge betrays a lack of self-confidence and understanding by the American Biden/Blinken foreign policy leadership. Secondly, the chosen path of confrontation risks a fateful clash in South China Seas, an area that according to the precepts of traditional geopolitics falls within the Chinese sphere of influence, and a context within which Chinese firmness is perceived as 'defensive' by Beijing while the U.S. military presence is regarded as intrusive, if not 'hegemonic.' These perceptions are aggravated by the U.S. effort to augment its role as upholding alliance commitments in South Asia, recently reaffirmed by a clear anti-Chinese animus in the shape of the QUAD (Australia, Japan, India, and the U.S.), formally named Quadrilateral Security Dialogue, which despite the euphemism intends to signify enhanced military cooperation and shared security concerns.

Thirdly, the longtime U.S. military superiority in the Pacific region may not reflect the current regional balance of forces in the East and South China Seas. Pentagon public assertions have been sounding the alarm, insisting that in the event of a military confrontation, China would likely come out on top unless the U.S. resorts to nuclear weapons. According to an article written by Admiral Charles Richard, who currently heads National Strategic Command, this assessment has been confirmed by recent Pentagon war games and conflict simulations.

Taking account of this view, Admiral Richard advises that U.S. preparations for such an armed encounter be changed from the possibility recourse to nuclear weaponry to its probability. The implicit assumption, which is scary, is that U.S. must do whatever it takes to avoid an unacceptable political outcome even if it requires crossing the nuclear threshold. It may be instructive to recall the Cuban Missile Crisis of 1962 when Soviet moves to deploy defensive missile systems in Cuba in response to renewed U.S. intervention to impose regime change. It is instructive to recall that Cuba was accepted as independent sovereign state entitled under international law to uphold its national security as it sees fit, while Taiwan has been consistently falling within the historical limits of Chinese territorial sovereignty. The credibility of the Chinese claim was given diplomatic weight in the Shanghai point Communiqué that re-established U.S./China relations in 1972. Kissinger recalled that in the negotiations leading to a renewal of bilateral relations the greatly admired Chinese Foreign Minister, Chou En-Lai, was flexible on every issue except Taiwan. That is, China has a strong legal and historical basis for reclaiming Taiwan as an integral part of its sovereign territory



considering its armed severance from China as a result of Japanese imperialism. China governed the area now known as Taiwan from 1683-1895. In 1895 it was conquered and ruled by Japan until 1945 when it was reabsorbed and became a part of the Republic of China. After 1949 when the Chinese Communists took over control of China, Taiwan was renamed Republic of China on Taiwan. From the Chinese perspective, this historical past upholds the basic contention that Taiwan is part of China and not entitled to be treated as a separate state.

Fourthly, and maybe decisively, the international claims on the energies and resources of the United States are quite different than they were during the Old Cold War. There was no impending catastrophe resulting from climate change to worry about or decaying infrastructure desperately needing expensive repair or under-investment in social protection by government in the area of health, housing, and education.

*CJP:* Isn't it possible that the approach of the Biden administration to the future environment of great power competition could lead to the formation of a Russia-China military alliance, especially since alliance formation constitutes a key element of state interaction? Indeed, Vladimir Putin has already said that the prospect of such partnership is "theoretically... quite possible," so the question is this: What would be the implications for global order if a Sino-Russian military alliance were to be formed?

*RF:* I think we are in a period of renewed alliance diplomacy recalling the feverish attempts of the United States to surround the Soviet Union with deployed military forces, which was a way of communicating to Moscow that the Soviet Union could not expand their borders territorially without anticipating a military encounter with the United States. At first glance, alliances conceived in these traditional terms make little sense. Except in Taiwan it is unlikely that China would seek to enlarge its territorial domain by the threat use of force. In this sense, the ad hoc diplomacy of alliance formation, typified by the QUAD seems anachronistic, and could lead to warfare as one among several unintended consequences.

However, realignment as distinct from alliance frameworks does make sense in an international atmosphere in which the United States is trying to confront its international adversaries with sanctions and a variety of measures of coercive diplomacy that are intended to constrain its policy options. Many states are

dependent on international supply chains for energy and food, as well as reliable trade and investment relations. Reverting to the Cold War the Soviet Union was relatively autonomous. This is much less true under present conditions in which the higher densities of interdependence are linked to acute security vulnerability to cyber attacks, and where access to drone technologies and computer knowhow make non-state actors, extremist political movements, and criminal syndicates an increasingly troublesome part of the global political landscape. In such an emergent global setting, traditional reliance on deterrence, defense capabilities, and retaliatory action are often ineffectual, and quite often even counter-productive. The purpose of contemporary patterns of realignment is less to augment defenses against intervention and aggression than to broaden policy options for countries that need to reach beyond their borders to achieve economic viability. Another motivation is to deflect geopolitical bullying tactics intended to isolate adversaries. As China and Russia are being portrayed as the enemies of the West, their alignment with one another makes sense if thought of as a reciprocally beneficial 'security community.' Compared to past configurations of conflictual relations, current geopolitical maneuvers such as realignment are less concerned with weaponry and war and more with attaining developmental stability, intelligence sharing, and reduced vulnerability to the distinctive threats and parameters of the Cyber Age.

The logic of realignment gives to countries like China and Russia opportunities to increase their geopolitical footprint without relying on ideological affinities or coercion. Such a change in the nature of world politics is more broadly evident. For instance, important countries such as Iran and Turkey use realignment as a diplomatic tool to offset pressures and security encroachments by U.S. and Israel. In Iran's case despite radical differences in ideology and governing style it is turning to China and Russia so as to protect its national sovereignty from a range of destabilizing measures adopted by its adversaries. Whereas Turkey, while being devalued as an alliance partner in the NATO context, may be satisfying its overall needs by turning to China and Russia than by sticking to its traditional role of a junior participant in the most potent of Western alliance structures.

*CJP:* Certain mainstream foreign policy analysts are rehashing old arguments about the US-China competition, in particular, by claiming that this is really an ideological battle between democracy and authoritarianism. What's your own take on this matter?

*RF*: I think even more so than in the Cold War the ideological battleground is a smokescreen behind which lurk fears and perceived threats to the Western dominance of the world economy and of innovative military technologies. In the last half century China has already staked a strong claim to have demonstrated a superior development model ('socialism with Chinese characteristics') to that produced in the capitalist United States. This Chinese achievement is quite clearly explained and documented by the outstanding Indian liberal economist, Deepak Nayyar, in his important study, *Asian Resurgence: Diversity in Development* (2019). Great emphasis is placed by Nayyar on the high rate of savings enabling China to finance and strategically manage targeted investment of public funds. Nayyar downplays the role of ideology and stresses these economic factors, as he analyzes the development achievements of 14 countries in Asia.

The reality of the Chinese rise makes a mockery of the triumphalist claims of Francis Fukuyama in *The End of History and The Last Man* (1992), even more so in George W. Bush's covering letter to the 2002 National Security Strategy of the United States in which he claims that the 20th century ended with "a decisive victory for the forces of freedom—and a single sustainable model for national success: freedom, democracy, and free enterprise." How dated and misplaced such language seems twenty years later!

If China now additionally manages to challenge successfully the U.S. in such vital areas of technological innovation as artificial intelligence and robotics it will undoubtedly reinforce this image of Chinese ascendancy on the 21st century world stage. It is this prospect of being relegated to the technological shadowland that had made bipartisan elites in the United States so anxious of late. In fact, even Republican stalwarts are willing to put aside their polarizing hostility to join with Democrats in mounting a diplomatic offensive against China that could become war-mongering interaction if Beijing responds in kind. Graham Allison has reminded us that historical instances where a previously ascendent power is threatened by a rising one has often resulted in disastrous warfare. Such belligerence is usually initiated by the political actor that feels displaced by the changing hierarchy of influence, wealth, and status in world order, yielding to pressure to engage the challenger while it still possesses military superiority. [See Allison, *Destined for War: Can America and China Escape the Thucydides Trap* (2017)]

*CJP:* Nuclear weapons and climate change represent by far humanity's two greatest existential crises. Can we really be hopeful that these threats can be managed tamed within the existing international system? If not, what changes are required in current interstate relations?

*RF:* Of course, at this time we have become acutely aware of such global existential threats by experiencing the ordeal of the COVID pandemic, which has revealed the conflictual state-centric manner of dealing with a situation that could have been more effectively addressed if responding by way of global solidarity. As the pandemic now appears to be subsiding in most parts of the world, we cannot be encouraged by the weakness of cooperative impulses despite the obvious self-interested benefits for all if a global commons approach had been adopted with respect to testing, treatment, and distribution of vaccines. This negative background suggests that it a somewhat vain hope to suppose that the threats posed by nuclear weapons and climate change can be successfully managed over time. Each of these mega-threats disclose different features of an essentially dysfunctional and inequitable system of world order. World history has now entered a bio-political phase where civilizational achievements are at risk and even the survival of the human species is in doubt. Analogous dysfunctions of a different nature are evident in the internal political and economic life of most sovereign states.

The relationship to nuclear weapons has been problematic from the beginning, starting from the decision to drop atomic bombs on Japanese cities in 1945 as the war was nearing its end. The horrifying civilian consequences seared the consciences of collective human conscience almost to the extent of the Holocaust. The two realities exemplifying the atrocities of World War II are Auschwitz and Hiroshima. It is illuminating that in the first instance the behavior of the loser in the war was criminalized in the Genocide Convention while that of the winner in the second instance was legitimated although left under a dark cloud that lingers until now. The reality is that nuclear weapons are retained for possible use by nine states, including the most militarily powerful countries. The fact that the great majority of non-nuclear governments and the sentiments of most people in the world unconditionally oppose such weaponry has hardly mattered. The UN recently sponsored the Treaty of Prohibition of Nuclear Weapons (TPNW) that entered into force in January 2021; however, neither law nor morality can challenge the resolve of the nuclear weapons states to retain

their freedom to possess, deploy, develop, and even threaten or use such weaponry of mass destruction. The five permanent members of the UN Security Council, the first states to develop nuclear weapons, have issued a formal statement expressing their belief in the non-proliferation regime and deterrence as a preferred model of nuclear war prevention to that associated with a norm of unconditional prohibition reinforced by phased, monitored, and verified disarmament treaty process.

Martin Sherwin in his definitive study, *Gambling with Armageddon: Nuclear Roulette from Hiroshima to the Cuban Missile Crisis* (2020), convincingly shows that the avoidance of nuclear war has been a consequence of dumb luck, not rational oversight or the inhibitions on use associated with deterrence. The point being that despite the magnitude of the threats posed by the existence of nuclear weapons the structures of Westphalian statism has prevailed over considerations of law, morality, common sense, and rationality. What is absent with regard to these existential global threats is a sufficient political will to transform the underlying structural features by which authority, power, and identity have been managed on a global level for last several centuries. The absence of trust among countries is given precedence, and is further reinforced by the weakness of global solidarity mechanisms, resulting on leaving this ultimate weapon in potentially irresponsible hands, the fate of the earth in Jonathan Schell's book bearing that title, published in 1982.

Climate change has dramatized a different facet of this statist structure of world order. The need for the cooperative and urgent reduction of greenhouse gas emissions has been validated by a strong consensus of scientific opinion. The effects of inaction or insufficient action are being concretely experienced in the form of global warming, ocean levels rising, extreme weather events, glacial melting, and migrations from droughts and floods. Yet effective responsive action is blocked by inequalities of circumstances and perception that generate disagreements about the allocation of responsibility and by short-termism that makes private and public sector decision makers reluctant to depress performance statistics by expensive adjustments that cut profits and development. There is a widespread recognition of the need for drastic action, but the best that the collective will of governments have been able to do is to produce the Paris Agreement in 2015, which leaves it up to the good will and responsible voluntary behavior of governments to reduce emissions, a rather wobbly

foundation on which to stake the future of humanity.

The UN as now constituted cannot provide platforms for addressing global existential threats in an effective and equitable manner. The responses to the COVID pandemic offer a template for such a negative assessment. It was obvious that short-term national economic and diplomatic interests prevailed at the expense of minimizing the health hazards of virus COVID-19. Once these interests were satisfied the richer countries felt virtuous by resorting to feel good philanthropy, which was masked as empathy for poorer countries and their populations. These societies had been left almost totally without access to the protective medical equipment, ventilators, and vaccines during the height of the health hazards.

A revealing extreme instance of the pattern was embodied in the Israeli approach which was very effective within Israel, while withholding vaccines from the approximately five million Palestinians living in the Occupied Palestinian Territories. This disparity ignored Israel's explicit obligation under Article 56 of the Fourth Geneva Convention to accord protection to an occupied people in the event of an epidemic. What is disclosed beyond reasonable doubt is the structural dominance of statist and market forces combined with the weakness of existing mechanisms of global solidarity, which are preconditions for upholding global public goods. An analogous dynamic occurs within states, reflecting the class, gender, and race interests and the disproportionate burdens borne by the poor, women, and marginalized minorities.

*Source:*

<https://www.globalpolicyjournal.com/great-power-competition-escalating-dangerous-levels-interview-richard-falk>

*C. J. Polychroniouis* a political scientist/political economist who has taught at numerous universities in Europe and the United States and has also worked at various research centers. He holds a PhD in Political Science from the University of Delaware and is author/editor of several books, including *Marxist Perspectives on Imperialism* (1991), *Perspectives and Issues in International Political Economy* (1992), *Socialism: Crisis and Renewal* (1993), *Discourse on Globalization and Democracy: Conversations With Leading Scholars of Our Time* (in Greek, 2001) and hundreds of articles and essays, many of which have been translated into scores of foreign languages. His latest book is a collection of interviews with

Noam Chomsky titled [Optimism Over Despair: On Capitalism, Empire, and Social Change](#) (Haymarket Books, 2017).

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## Interview: Léonce Ndikumana On Africa And Capital Flight



*This is part of [PERI](#)'s economist interview series, hosted by GP Columnist C.J. Polychroniou.*

*C.J. Polychroniou:* You studied economics as an undergraduate student in Burundi, but ended up in the United States for your graduate studies. Why economics, and which economic thinkers have had the greatest impact on you?

*Léonce Ndikumana:* When I enrolled in the Economics Department at the University of Burundi, I was not specifically attracted by any particular school of thought or any economic thinker. Economics was considered one of the challenging majors in the university and the major was perceived as a good path for professional success. But then as I studied economics more, I developed a keen interest in certain areas including economic development. Economics provided me with the framework and the tools to understand the challenges of underdevelopment and constraints to growth. As a son of a farmer, born in one of the least developed countries in the world, development was not just an academic topic, it was about issues that I myself had experienced or witnessed since my early childhood. I found the study of economic development both captivating as well as humbling; humbling in the sense that it gave me a better understanding of my own life path, and better appreciation of every step I had crossed towards building a decent life for myself and my family. Studying economic development is still fascinating to me up to today. But as I grew up and matured as an economist, studying economic development has become also more frustrating as I keep asking the same question of why obvious solutions are not embraced to address problems faced by populations in the developing world. The key to this puzzle is

the incentive structures that guide policy making, specifically the distribution of power between those who benefits from the status quo vs. those who would potentially benefit from a change in the system towards generalized improvement in welfare. Countries remain stuck in 'low-equilibrium' situations because policy making is hijacked by the interest groups that benefit from the status quo, and when the majority who would benefit from change have no means to voice their concerns. Development and the lack of it are, by and large, a matter of the quality of institutions that govern economic policy making.

*CJP*: How did you end up teaching at UMass-Amherst?



*Léonce Ndikumana - Photo:  
peri.umass.edu*

*LN*: When I joined the Economics Department at UMass-Amherst in 1996, I was mostly attracted by the work in the Keynesian tradition. My training at Washington University in St. Louis (Missouri) was grounded in the Keynesian tradition, precisely New Keynesian macroeconomics. My dissertation explored the issue of financing firm investment in the context of imperfect markets. Working under my advisor, Professor Steven Fazzari, a premier leader in the field of New Keynesian macroeconomics, I had admired the work of Professor James Crotty, a major figure in Post-Keynesian macroeconomics who had a keen interest in the work on investment. James Crotty was a great mentor for me in my early days as an Assistant Professor; I learned a lot from him, and I will always be grateful for his guidance.

During my graduate training I was also fortunate to study under Nobel Prize winner Professor Douglass North, who taught me to appreciate the role of institutions in the evolution of modern economies. This cemented my interest in



understanding the process of economic development. I wrote my field comprehensive exam paper on development in Burundi under his supervision. Once at UMass, I found a strong program in economic development, especially focused on Latin America and Asia. Fortunately, my colleague Jim Boyce gracefully opened his door and invited me to collaborate on research on Africa. That's when we launched our work on capital flight from Africa, starting with a case study on the Congo under former president Mobutu. This partnership has continued up to today, producing a long series of academic papers and a book. We are currently engaged in research that is more granular and country specific to explore the mechanism of capital flight, including the role of the transnational network of 'enablers' composed of banks, major consulting, auditing, and law firms.[1] Our work on capital flight has played an important role in providing evidence to feed the global debate on illicit financial flows, culminating in the enactment by the United Nations of a target to combat illicit financial flows enshrined in the Sustainable Development Goals (Target 16.4). Capital flight remains my main area of research today.

*CJP:* Africa, you have argued in a 2015 article in *African Studies Review*, is being integrated yet marginalized in the global economy. Can Africa overcome being marginalized in the age of globalization without a change in global governance?

*LN:* In 2019, Africa's total trade was 106 times higher than in 1950. During this period, however, the continent's share in world trade declined from an unimpressive 6% to a meager 2%. Between 1970 and 2019, foreign direct investment inflows into Africa grew 35 times. But Africa's share in world FDI dropped from 10% to 3%.[2] Clearly, in absolute terms, it may appear as though Africa has been increasingly 'integrating' in the global economy. But in reality, Africa has been growing more marginalized over time: it occupies a much smaller space today than before independence. One major reason is that Africa has failed to transform its economies, and continues to sell its cheap raw material in exchange for increasingly more expensive manufactured products. Technological innovation is lagging, and the continent has lost the competition in the global value chain.

Can it get worse? Unfortunately, yes! Africa can become even more marginalized unless global governance is reformed to accommodate more equitable participation in policy making so that Africa can have a voice to advance and defend its interest. It can get worse also unless there is successful global coalition

to promote transparency and accountability in the global trade and financing systems so as to combat tax evasion, trade misinvoicing, banking secrecy, and all other mechanisms that facilitate and enable the plundering of Africa's natural resources.

*CJP:* You have researched extensively the problem of capital flight from Africa. Can you briefly summarize the role of both domestic factors and external players in driving capital flight from Africa, as well as explain why, in comparison to other regions, capital flight is a more severe problem for sub-Saharan African countries?

*LN:* Capital flight from Africa is a major hindrance to efforts to move the continent's economies to a path of high growth and sustainable development. It drains scarce and valuable resources that could be used to finance investments in public infrastructure, social services such as education and health, and to stimulate innovation and economic transformation.

The causes and drivers of capital flight from Africa are both a domestic and global. On the domestic front, capital flight is induced and facilitated by the breakdown of the regulatory and legal regimes that enable individuals and companies to smuggle goods and money abroad in contravention of customs and exchange controls. Some of the funds illicitly funneled abroad are in fact illicitly acquired through corrupt means by members of the economic and political elite that are able to use their power and connections to embezzle public resources and also do so with impunity. Capital flight is therefore a result of the failure of national institutions. But there is also a reverse causation: capital flight erodes the quality of national institutions through habit formation and contagion effects. The orchestrators of capital flight invest in undermining the quality of institutions through corruption to make it easier for them to perpetuate their illicit dealings. These practices, which are typically orchestrated by the elite, are then emulated by private individuals as it becomes evident that the mechanisms of control and accountability are breaking down. As a result, capital flight becomes a self-perpetuating phenomenon: through hysteresis, countries with high capital flight are unable to break through the vicious cycle of financial hemorrhage.

Certain characteristics of the domestic economy tend to be associated with high risk of capital flight. One prominent feature is endowment in natural resources

such as oil and minerals. Indeed, in our analysis, we find that natural-resource countries feature prominently on the list of countries with the highest amount of capital flight. These include Nigeria (number one on the list), Algeria, Angola, Cameroon, the Republic of Congo, and Gabon. It so happens that resource-rich countries with high capital flight also tend to score poorly on the quality of institutions. Indeed, countries such as Nigeria, Angola, and Gabon have been prominent sources of stories of grand corruption by political elites and embezzlement of natural resources. It is clear, therefore, that what drives capital flight in resource-rich countries is not natural resource endowment per se, but the poor management of these resources due to corrosive institutional environment. In that sense, capital flight may be a manifestation of the so-called 'resource curse'.

On the global level, capital flight is facilitated by structural flaws in the international trade and financial systems that enable the illicit transfers funds and their concealment in banking systems outside of the continent, generally referred to as offshore financial centers. The flight of capital from Africa and its concealment abroad are facilitated and supported by a vast network of what we call 'enablers', which includes banks, accounting firms, law firms, auditing firms, and other 'deal makers' that help the flight capitalists to move money and keep it out of sight of national authorities. In reality, the so-called offshore financial centers are not small exotic tropical islands ruled by some rogue kings. The biggest financial centers that intermediate and host the illicit funds coming out of Africa and other developing countries are in fact major cities in advanced economies including London, New York, Paris, Brussels, Amsterdam and others. Because the stolen funds from Africa generate handsome returns to the banks and the other 'enablers', and help lubricate the economies of advanced countries, it is difficult for strong incentives to combat capital flight to emerge in the Global North. This is true, even though, from close scrutiny, it can be demonstrated that Western economies actually suffer from indirect effects of excessive financialization - or a 'financial curse,'[3] which is exacerbated by illicit financial flows from the global south.

It is therefore clear that the solution to capital flight cannot only be a domestic solution; it must be a global solution.

*CJP:* South Africa has a highly diversified economy, yet it still experiences considerable capital flight as your own research has shown. What's the

explanation for capital flight from a highly developed and diversified economy like that of South Africa?

*LN:* Capital flight is not limited to underdeveloped resource-rich countries. It also afflicts diversified middle-income countries, as is the case of South Africa. The empirical and institutional analysis of capital flight from South Africa reveals a number of important factors that help explain the high capital flight, and it has important lessons for other countries. Here I single out two; more can be found in our recent publications which can be found online at <https://www.peri.umass.edu/capital-flight-from-africa>.

The first finding from our analysis is that an important driver of capital flight from South Africa is trade misinvoicing. This is a phenomenon where the value of exports declared to the authority is artificially under-estimated, enabling the exporter to park extra foreign exchange abroad. On the import side, capital flight occurs when importers inflate the cost of imported goods as a way of claiming extra foreign exchange which they can stash abroad or use to settle transactions that are not reported to the authority - such as the purchase of smuggled goods.

Second, our recent institutional investigation linked capital flight and its various mechanisms to a phenomenon of 'state capture' that has afflicted the country in the post-Apartheid era. Influential and politically connected individuals and families, in collusion with powerful politicians and bureaucrats have been able to accumulate wealth illegally while eroding the management of the public sector, especially state-owned enterprises. In doing so, these individuals and families have enlisted the services and expertise of various enablers, including foreign banks and major international audit and accounting firms to both facilitate the 'taking' and also cover their tracks. Investigations of financial crimes associated with 'state capture' are still ongoing. Once concluded, they will certainly shed light on key mechanisms of capital flight and other forms of illicit financial flows from the country.

*CJP:* You and your department colleague at UMass-Amherst, James Boyce, have proposed a number of strategies for addressing capital flight. What's the best way to prevent the flight of "dirty capital" (i.e., illegally acquired capital)?

*LN:* Following our analysis of the magnitude and the determinants of capital flight from Africa, we have proposed some strategies for curbing capital flight from

Africa and also inducing repatriation of the hidden wealth stashed abroad. To curb capital flight, the focus should be on plugging the holes through which money leaks out of the countries. This would be done notably by increasing transparency and accountability in the management of government finances, including borrowed funds as well as domestically mobilized resources. Indeed, our analysis shows that a substantial fraction of borrowed funds is embezzled by the political elites and ends up fueling capital flight. To seal these leakages, governments must make public the sources, amounts, and utilization of externally funded, so that the public can be confident that borrowed funds are utilized effectively to finance economic development. In turn, lenders and donors must also scrutinize more systematically the use of the funds lent or granted to African countries to minimize the risks of embezzlement of aid and debt. When there is suspicion of corrupt management of aid and debt, lenders and donors must initiate systematic audits of public debts both at the source (on the donor side) and at the destination (on the borrower/recipient side). Full transparency, and responsible lending and borrowing are key conditions for minimizing capital flight fueled by external financing.

Another key channel of capital flight that must be handled is trade misinvoicing. This requires reforms in the customs services and transparency in the recording of trade statistics to ensure consistency between the values reported by African countries and those recorded by their trading partners. African countries, with the support of their development partners, need to beef up the technological and human capacity of the customs services to improve the monitoring, tracking, and reporting of international trade. They also need to strengthen the legal systems to ensure that violations of customs regulations for the purpose of trade misinvoicing and smuggling of funds abroad are properly and strictly prosecuted and sanctioned. This would root out impunity which is a major factor that perpetuates capital flight.

Capital flight through trade misinvoicing is facilitated by the increasing dominance of intra-company trade which is monopolized by large multinational corporations (MNCs). Trade transactions between affiliates of the same company are vehicles for import and export misinvoicing, enabling to move money across borders, as well as transfer pricing, enabling companies to evade taxation through shifting profits into low-tax territories - the so-called secrecy jurisdictions. Combating trade misinvoicing and transfer pricing by MNCs

requires a global partnership to establish mechanisms for automatic exchange of information on tax, trade, and finance across the world so as to make it more difficult for companies and individuals to misreport trade and financial transactions. Increased transparency in global trade and finance will benefit both African countries as well as developed countries.

My work with James Boyce provides detailed discussions on the range of strategies that can help stem the illicit outflows of capital from Africa and induce repatriation of stolen wealth stashed out of the continent.[4]

*CJP:* Is foreign aid an effective tool for promoting economic development?

*LN:* There is an old and still lively debate on whether foreign aid promotes economic development. There are basically three camps in the economics profession: (1) those who argue that aid works, and that the problem is that there is not enough of it; this is the 'big-push' camp; (2) those who argue that aid may work but only under certain conditions, specifically when the recipient countries have efficient institutions and policies; (3) those who argue that aid does not work at all, and that it can be even counter-productive.

These positions need to be taken with great caution. Most of the research behind these views has been based on aggregate cross-country studies using large heterogeneous samples. The first problem with cross-country studies is an empirical one: they do not adequately account for circumstances that may influence the effectiveness of aid which are country-specific, donor-specific, or instrument-specific. The second problem is an operational one: donors do not target growth or any other aggregate outcome when they negotiate and design their interventions. In practice donor interventions are focused on specific development needs such as building roads, schools, hospitals, providing mosquito-treated nets, immunization, funding for improved seeds and fertilizers, etc. Evaluation of aid using aggregate cross-country analysis therefore creates a mismatch between aid instruments (which is at the micro or sectoral level) and the outcomes to be evaluated (which is at macro level in the case of economic growth). Such studies are therefore not appropriate as a basis for evaluation of aid effectiveness and policy formulation.

A new strand of empirical literature on aid effectiveness is focused at the sectoral and micro level. My own research contributes to this new literature. In work co-

authored with my colleague Lynda Pickbourn here at UMass Economics Department, we have found that aid targeted to the health sector improves health outcomes such as reducing infant mortality from diarrhea and increasing access to clean water and improved sanitation facilities.[5] A study co-authored with Didier Wayoro, a graduate of our program, using data at the project aid level finds that aid is associated with a reduction in infant mortality.[6]

The emerging lesson from new research on aid is that indeed aid has positive development outcomes, to the extent that the evaluation is made at the level where aid is in fact targeted; that is, at the sectoral or micro level. Analysis at the sectoral and micro level generates useful insights in our understanding of the channels of causation between aid and economic development, as well as on the ways in which aid effectiveness can be enhanced through specific and targeted interventions and reforms.

*CJP:* Many sub-Saharan African countries, including Burundi, have been posting solid economic performances in the last few years. Is Africa at the crossroads? Has the continent's day come?

*LN:* Since the turn of the century, African countries have recorded substantially higher growth, marking a much welcome turnaround from the era of 'lost decades' in the 1980s and 1990s. Even during the 2008 global financial crisis, the continent showed more resilience than advanced economies and posted respectable growth rates, albeit lower than the pre-crisis period. These gains have, unfortunately, been compromised by the double crisis - the Covid-19 pandemic and the ensuing global economic contraction. Natural resource exporters have been hit particularly hard due to the collapse in prices and demand for primary commodity exports. There is a risk that the 'scarring effects' of the Covid-19 pandemic may be long-lasting, by undermining the drivers that have supported the growth acceleration over the past two decades. This is especially troublesome given the high and rising levels of external debt (a pre-Covid-19 phenomenon) which constrain the fiscal space needed to respond to the crisis and support economic recovery.[7] There is also a concern that African countries It is for this reason that it is critically important for African governments take all appropriate measures to prevent a spread of the spread of the Covid-19. This is especially critical given that health systems in Africa are ill-equipped to handle a spike in demand for treatment of Covid-19 patients. It is also imperative that African government, with the support of the global community,

mobilize adequate resources to support workers, households and firms that are affected by the crisis. This may require tolerating higher fiscal deficits and taking on new external borrowing but on highly concessional terms. The cost of prevention is certainly much lower than the cost of rebuilding ex post if the economies and the populations are left fully exposed to the crisis.

*Léonce Ndikumana has served as Director of Operational Policies and Director of Research at the African Development Bank, Chief of Macroeconomic Analysis at the United Nations Economic Commission for Africa (UNECA), and visiting Professor at the University of Cape Town. He is also an Honorary Professor of economics at the University of Stellenbosch, South Africa. He has contributed to various areas of research and policy analysis on African countries, including the issues of external debt and capital flight, financial markets and growth, macroeconomic policies for growth and employment, and the economics of conflict and civil wars in Africa. He is co-editor of [Capital Flight from Africa: Causes, Effects and Policy Issues](#) and co-author of [Africa's Odious Debts: How Foreign Loans and Capital Flight Bled a Continent](#), published also in French as [La Dette Odieuse d'Afrique : Comment l'endettement et la fuite des capitaux ont saigné un continent](#), in addition to dozens of academic articles and book chapters on African development and Macroeconomics. He is a graduate of the University of Burundi and received his doctorate from Washington University in St. Louis, Missouri.*

This first appeared on PERI's [website](#).

## Notes

[1] See working papers here: <https://www.peri.umass.edu/capital-flight-from-africa>.

[2] The data used here is from UNCTAD's online statistical databases: <https://unctad.org/statistics>

[3] See Shaxson, N. 2018. *The Finance Curse: How Global Finance is Making Us All Poorer*. London: The Bodley Head Vintage Penguin Random House UK.

[4] See: Ndikumana, L., and Boyce, J. K. 2015. Strategies for addressing capital flight. In S. I. Ajayi and L. Ndikumana (Eds.), *Capital Flight from Africa: Causes, Effects and Policy Issues* (pp. 393-417). Oxford: Oxford University Press. <https://global.oup.com/academic/product/capital-flight-from-africa-9780198718550?cc=us&lang=en&#>. More work references can be found



here: <https://www.peri.umass.edu/capital-flight-from-africa>

[5] Papers can be found

here: <https://www.peri.umass.edu/other-research-and-links-on-africa>

[6] <https://www.umass.edu/economics/publications/2019-07.pdf>

[7] See Ndikumana, L., T. Mannah-Blankson and A. Njuguna, 2020. "Looming Debt Crisis in Sub-Saharan Africa: Drivers, Implications and Policy Options" <https://www.peri.umass.edu/component/k2/item/1369-looming-debt-crisis-in-sub-saharan-africa-drivers-implications-and-policy-options>

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## Bonnot in beeld - De Autobandieten in fictie



De geschiedenis van de Autobandieten, de groep gewelddadige anarchisten die in 1911 en 1912 Parijs en daarmee Frankrijk in paniek bracht - zie het korte [historische overzicht op Rozenberg Quarterly](#) - zorgde voor tientallen studies naar de sensationele gebeurtenissen tijdens de Belle Époque.

Blijkbaar spraken de gebeurtenissen enorm tot de verbeelding want ook in de populaire cultuur is decennia later de erfenis van de Autobandieten terug te vinden.

Het was een middelmatige hit, maar ook een middelmatig nummer: de single *La Bande à Bonnot* van de Franse chansonnier Joe Dassin, verschenen in het kielzog

van de speelfilm *La Bande à Bonnot*, uitgebracht in 1968. Blijkbaar maakten de Autobandieten toen nog steeds de tongen los, in ieder geval van het ridicule dameskoortje in het nummer van Dassin, die trouwens zelf ook met een misplaatst soort vrolijkheid de daden van de anarchisten bezingt.

De versie die het Franse rockduo Orange Macadam in 2008 (!) van hetzelfde nummer maakte, ligt aanzienlijk beter in het gehoor.

### *Speelfilm*

De speelfilm *La Bande à Bonnot* uit 1968, geregisseerd door Phillie Fourastié, verdient geen Oscar, zelfs geen vijf sterren, maar acceptabel is de film toch wel. Acteur Bruno Cremèr is te zien als Jules Bonnot (later speelde Cremèr Maigret in de gelijknamige tv-serie uit de jaren negentig), de rol van Raymond Callemin wordt, heel verrassend, gespeeld door Jacques Brel, zijn tweede filmrol ooit. Brel schreef ook de muziek voor de film. Actrice Annie Girardot speelt een van de vrouwen in de groep rond de Autobandieten. Of de film ooit in Nederland is vertoond is niet meer te achterhalen. Wel in België, waar het volledig uitgeschreven filmscenario met dialogen, verscheen in een luxueuze boekenreeks getiteld Filmclub, waarin scenario's van films werden gepubliceerd: *Alexandre le Roi*, *De bende van Bonnot* (uitg. Walter Beckers, Kalmthout-Antwerpen, z.j. waarschijnlijk 1968).



De film geeft een overtuigend sfeerbeeld van het illegalistische milieu van anarchistische activisten rond 1911. Op kleding en haardracht van de acteurs is nog wel iets af te dingen: een tikkeltje te veel jaren-zestig, alsof aansluiting gevonden moest worden met de revolutionaire sfeer in Parijs in de meidagen van 1968.

De acties van de Autobandieten - voor zover te beoordelen - zijn waarheidsgetrouw in beeld gebracht, al is niet gefilmd op de exacte, nog bestaande locaties van de gebeurtenissen.



Bovendien toont de film nogal wat anachronismen. Zo zijn er vuurwapens en bewegwijzering te zien die in 1911 nog niet bestonden en een lied dat door de bandieten wordt gezongen werd pas in 1936 gecomponeerd.

### *Bioscoopscène*

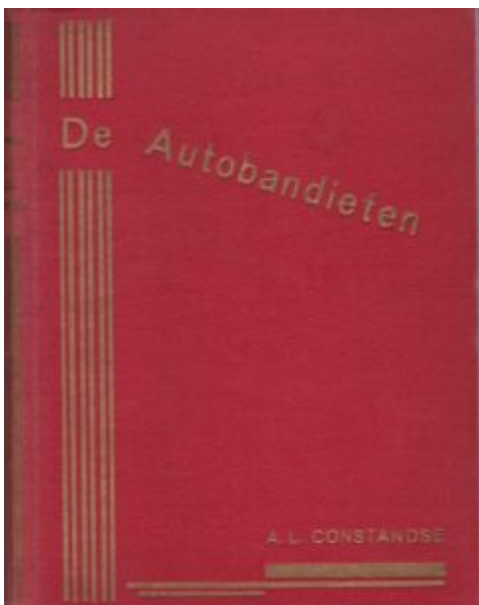
Een gemiste kans is een scène in een bioscoop, waar Bonnot en zijn vrienden een Amerikaanse gangsterfilm bekijken, *The Gangsters and the Girl*. Weliswaar is deze gebaseerd op de belevenissen van de Autobandieten, maar de film dateert uit 1914. Toen waren de meeste leden van de bende al lang om het leven

gekomen of geëxecuteerd.

Authentiek zou zijn geweest wanneer de regisseur de bendeleden in de bioscoop naar een contemporaine film over henzelf had laten kijken. Dat had gekund met de korte speelfilm *L'Auto grise* uit april 1912, gebaseerd op de overvallen van de Autobandieten. Deze film biedt een nauwkeurige reconstructie van de gebeurtenissen. In mei 1912 maakte regisseur Victorin Jasset een tweede film over hetzelfde onderwerp, *Hors la loi*. Beide films voegde hij later samen tot *Les Bandits en automobile*. Jasset gebruikte weliswaar niet de daadwerkelijke locaties voor zijn film, maar benadert wel de werkelijkheid. Zo werd de garage waar Bonnot werd belegerd exact nagebouwd. Op Youtube is de film in zijn geheel te zien.

### Romans

Het boek *La Bande à Bonnot* (1968) van de Franse auteur Bernard Thomas is een gefictionaliseerde versie van de geschiedenis van de Autobandieten. De roman is niet in het Nederlands vertaald, wel in het Duits: *Anarchisten, Ein Bericht* (1970). Thomas verzoon natuurlijk de dialogen, maar de historische lijn houdt hij correct aan. De roman *In Ogni Caso Nessun Rimorso* (1994) van de Italiaanse schrijver Pino Cacucci, in het Engels vertaald als *Without a Glimmer of Remorse* (Read and Noir Books, 2006), volgt op vergelijkbare wijze de historie, maar leest een stuk minder makkelijk.



Aan deze twee romans ging lang daarvoor een eerste geromantiseerde versie van het verhaal van de Autobandieten vooraf. De Nederlandse anarchistische propagandist Anton Constandse publiceerde in 1935 *De Autobandieten*, nog steeds het enige in Nederland gepubliceerde boek over de groep. Het verscheen bij de BOO te Zandvoort, de Bibliotheek voor Ontspanning en Ontwikkeling van anarchistisch uitgever Gerhard Rijnders. De BOO gaf sociale romans uit, populair wetenschappelijke titels en anarchistische teksten.

Dat Constandse voor de romanvorm koos, lag in het verlengde van de opzet van de BOO: goedkope, leesbare boeken voor iedereen. Een roman was voor veel lezers toegankelijker dan een biografie, een beschrijving van arbeidsomstandigheden of een verhandeling over sociale strijd.

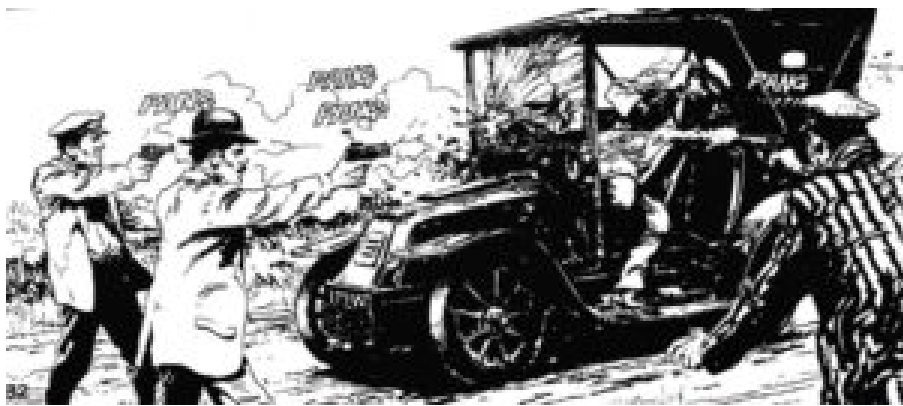
Constandse weet de sfeer in het Franse anarchistische milieu goed te schetsen, iets waar zeker degelijk studiewerk aan ten grondslag moet liggen. Ondanks de daden van de Autobandieten, weet hij enige sympathie op te wekken voor een aantal leden van de groep, zoals voor de jonge Carouy, die vogeltjes kocht op de vogelmarkt, om ze vervolgens los te laten. Hij beschrijft glashelder het tragische element in de geschiedenis: in beginsel waren het goeie jongens en met hun ideeën was in oorsprong niets mis, maar overmoed en onbezonnenheid droegen bij tot hun gewelddadige ondergang.[1]

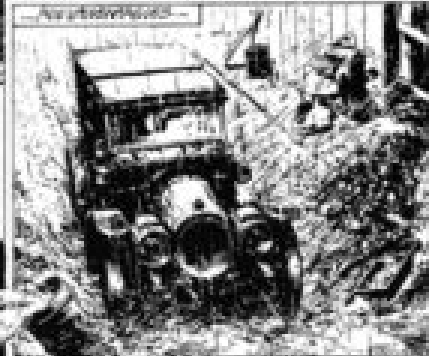
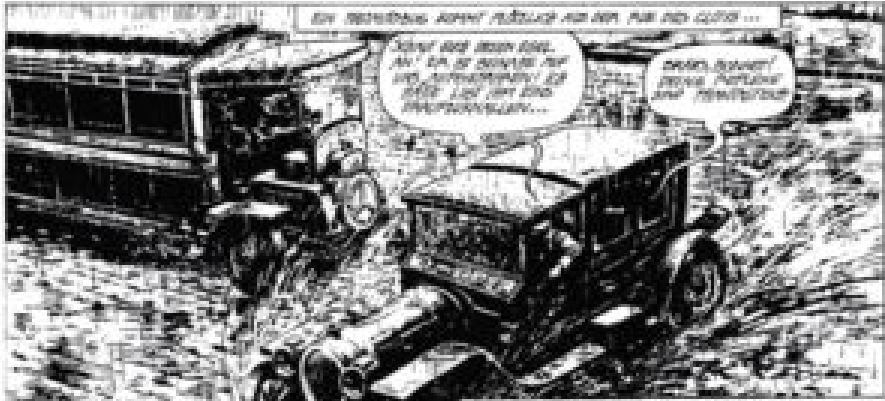


### Strips

Een waarheidsgetrouwe weergave van het anarchistische wereldje ontbreekt in de strip *La Bande a Bonnot* van de Spaanse makers Clavé en Godard, in het Duits verschenen als *Viel Blut für teures Geld* (Karin Kramer Verlag 1990). De strip is een mooi filmisch verslag van de affaire, het leest als het storyboard voor een film. Auto's, gebouwen en straatscènes zijn tot in detail perfect getekend, maar de personages blijven afstandelijke, kartonnen figuren.







Dat geldt ook voor het stripverhaal *Geen god, geen meester. Een avontuur van de Tijgerbrigades* van Harald Kivits (2006). Deze bewerking van een aflevering van de Franse televisieserie *Les Brigades du Tigre*, is gebaseerd op een door de Franse premier Georges Clemenceau (1841-1929) - bijgenaamd Le Tigre - ingestelde politie-eenheid die recht en orde moest herstellen in het Frankrijk van begin vorige eeuw. In werkelijkheid heeft de Tijgerbrigade van Clemenceau nooit tegenover de Autobandieten gestaan.



### *Chansons*

Het koortje bij Joe Dassin mag dan lekker doorzingen, in de chansons die de Franse kunstenaar, schrijver, trompettist en jazzcriticus Boris Vian (1920-1959) over de Autobandieten schreef, gaat het er een stuk filosofischer en socialer aan toe. Vian zong de chansons op de elpee *La Bande à Bonnot* niet zelf, maar de nummers werden op muziek gezet door Louis Bessières en verschenen in 1975 op elpee, in een prachtige uitklaphoes

met illustraties uit de strip van Clavé en Godard. Voor Vian zijn de Autobandieten niet een stel nietsontziende criminelen, maar hij plaatst hun geschiedenis juist in een sociale context. Zijn boodschap is duidelijk: de maatschappij is de oorzaak van hun acties. Het nummer *L'enfant de Bonnot* illustreert dat.





*Boris Vian: De jeugd van Bonnot*

In zijn doodsstrijd beleeft een man zijn verleden,  
in de heldere ogen van zijn hond die naast hem sterft,

In 1881, hij was toen vijf jaar, kende hij verdriet om de dood van zijn moeder,  
en zijn vader sloeg hem zonder reden keer op keer,  
zijn afkeer tegen onrechtvaardigheid werd alleen maar groter,

Zonder de minste tederheid,  
zonder de geringste tederheid,  
groeide hij op als onkruid dat gewied wordt tussen de stenen,

Zo ging hij door zijn kindertijd,  
en vermoedde al dat om zich te verdedigen, zijn blote handen  
niet voldoende waren,

Geen enkele onderwijzer begreep hem,  
zelfs niet een beetje,  
probeerden niet de oorzaken te kennen  
waarom hij zo'n ongelukkige indruk maakte,  
Men zei al tegen hem: 'Je moet niet teveel praten...'  
'Het is niet goed dat je hardop zegt wat je denkt,'

De eerste knokpartij,

de buurman die hem verlinkt,  
de smerige fabriek en het afgestompde werk,  
De tijd van woede,  
Toen soldaten schoten op een menigte die betoogde  
op een eerste mei,

Wat voorafgaat is niet genoeg om hem te excuseren,  
maar men vindt toch een verklaring voor zijn wandaden,  
dat in een onrechtvaardige maatschappij,  
waarin de vrijheid wegwijnt,  
*De maatschappij heeft de criminelen die zij verdient.*

- Vertaling chanson: *Dick Gevers*

*Noot:*

[1] In 2010 werd het boek van Anton Constandse opnieuw uitgegeven, met een nieuwe, heldere inleiding waarin Dick Gevers de Autobandieten in hun historische en sociale context plaatst: Anton Constandse, *De Autobandieten*, Kelderuitgeverij/De Vooruitgang 2010, ISBN 9789079395040.

