



There is no such a thing as inclusive capitalism

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Barack Obama is indeed a great orator. His delivery of the sixteenth Nelson Mandela Annual Lecture was a marvel to witness at close range. Although he said many profound things and the sentiments many of us share, listening to him I still felt the same way as we marched to the United States and French embassies in Pretoria on 8 October 2011. Under the auspices of the Concerned Africans Forum and South Africans for Peace in Africa Initiative, we had tried many things: we had even written to the then Secretary General of the United Nations explaining the possible consequences and implications of bombing Libya.

It is difficult to reconcile the Obama who gave the Mandela Lecture with the Obama the Head of State and Government of the imperialist United States of America. There has to be something about what sitting Heads of States/Governments cannot say but can say once outside government. Obama might have lectured about many things he did not really mean but, arguably, one thing he really meant is that the world needs an “inclusive capitalism”. It is an oxymoron that capitalism can be inclusive, for greed is immanent in the capitalist system. I am sure he did not mean inclusive development. Even countries that could be said to have “inclusive capitalism” are actually pursuing inclusive development under social democracies. All capitalism is bad.

To start with, the world we live in has not only been volatile and uncertain, it has become a dangerous place. Obama seems to realize this when he is no longer at the White House. It is in this context that the dominant paradigm, which is based on the hegemony of neo-liberal perspectives that have shaped development or caused underdevelopment and is informed by *accumulation by dispossession*, is being challenged. Capitalism, or monopoly capitalism to be specific to the current conjuncture, benefits a few at the expense of the many.

Essentially, the predominance of the United States that Obama was president of and European countries have maintained the peripheralisation of the global south. This has added salt to injury – the ramifications of the many centuries of brutal enslavement, colonialism, imperialism, plunder and the exploitation of the global south and Africa in particular have been followed by further plunder, imperialism and coloniality – coloniality in a sense that hierarchies that keep certain countries or regions, groups of some people and people of certain genders at the bottom remain deeply entrenched. The skewed distribution of power, globally, has ensured that the interests of the so-called developed countries trump effective and inclusive development in the global south. The world disorder – I deliberately call it “dis-order” – that is in place has to change.

Without a doubt, the global disorder that subsists since the end of the World II has been marked by high levels of inequality, poverty, misery, environmental degradation, diseases, hunger and pervasive injustice. These trajectories have been informed and reinforced by power asymmetry between the global north and the global south, with the former clinging tenaciously to the privileges and power that they derived through colonialism, imperialism, neo-colonialism, and, now, coloniality. It is capitalism as we know it – no such a thing as “inclusive capitalism”.

The globalisation processes have been defined by the logic of the market, free trade and deregulation thus leading to the primacy of capital and its hegemony over all the other factors of production. An increasing feature of global capitalism is financialisation, which involves the development of sophisticated financial tricks such as shares, bonds, mutual funds, certificates of deposits, equities, derivatives, toxic assets and so on issued by various banks, financial institutions, stock brokerages, insurance providers, credit rating agencies and government sponsored profiteering entities. While these products have increased the volume and velocity of money in circulation, they have served to further global, within and between countries, inequalities through payment of bonuses and benefits to corporate executives who constitute the top one per cent of global income earners.

The contradictions inherent in global capitalism have led to several cyclical crises, which are gradually altering the balance of economic power in favour of the global south, paradoxically. What appears to be a shift in geography of power

from the north to the south calls for new debates on how global relations and social processes can be transformed to ensure comprehensive justice. This becomes more pertinent in view of the democratic deficits that still characterize the global governance architecture in a supposedly multipolar world, especially on issues of trade, finance, environment, security and development in general.

So, inclusive development is what we must push for. Inclusive development as Julius Nyerere indicated in 1968 implies that “real development means growth of people. If real development is to take place the people have to be involved...” It is hard to imagine this under capitalism – it is hard to imagine inclusive capitalism. Development can be said to be inclusive if it properly involves those that must benefit from development, and those who must benefit from development should have their views of what kind of development they desire and how best to pursue it.

Karl Marx theorized that capitalism is a stage in economic development. It has to mature before it gives way to socialism. Provided Marx was right, countries should be ensuring that capitalism matures quicker so we can have a better world, but it is unthinkable that capitalism can be inclusive.