GLOBALIZATION AND AFRICAN DEVELOPMENT: A PRAXIS OF THE NEO CLASSICAL PERSPECTIVE

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Abstract
This paper attempts a critical examination of the phenomenon of globalization, linking it expertly with African development. The analytical praxis was centred on the neoclassical theory with respect to its explanations of development or the lack of it in African socio-economic formations. In spite of pursuing neo-liberal economic policies, the paper reasoned that African countries have remained worse off and even further entrenched in imperialist domination and control and charted a possibility of an alternative economic agenda for Africa in the mould of Marxist socialism, which of course need not follow a violent revolutionary path. The focus would be on diversification of the economy, agricultural revolution and temporal protectionist and isolationist policies that will rapidly propel African economies towards the path of industrialization. In Conclusion, it is possible that all in all, the neo-liberal agenda may yet produce some useful gains for African countries if it is re-ordered and if certain internal development constraints are dealt with. It is however envisaged that the absence of an alternative framework for African development continually makes it difficult for Africa to effectively make a case for a review of its embarrassing and disgusting perpetual role of raw material production.

Towards the end of the 20th and the beginning of the 21st centuries, the phenomenon of globalization has come to occupy a conspicuous place in political and economic discourses worldwide. Mazrui (1998:118) argues that although the word globalization is new, the process itself goes back almost five centuries when Vasco da Gama connected Europe to Asia via the African coastline. Thus, a tricontinental world of Europe, Asia and Africa entered a new phase of interaction for better for worse (Chazan, et al, 1989). Nayyar (1997) also contends that globalization is not a new process, for over the past five centuries, firms in the advanced capitalist countries have reached out through trade and other economic activities to territories across the globe. However, in contemporary times, the rise of this phenomenon has been accelerated due to technological advancement and the collapse of statist ideologies that swept through the world (Ruggiero, 1997:7).
The term globalization is now applied everywhere as a general catch phrase to identify the growing depth extent and diversify of cross border connections that are a key characteristics of our contemporary world (Kesselman, et al 2010: 8). Thus, the buzzword in the capitals of the world today is globalization (Magstadt, 2006:533). There is no doubt that the world economies today are far more interdependent than at any time in human history, essentially because economic interdependence promises greater levels of both international cooperation and competition (Kagan, 2008). A discussion of globalization will usually begin with accounts of economic activities, including the reorganization of production and the global redistribution of the workforce as well as the increased extent and intensity of international trade, finance and foreign direct investment (Krieger, 2006; Friedman, 2005).

However, Ricupero (2006:51) has emphasized fear as the central reason why developed countries are reluctant to engage in the multilateral trading system; the fear of not being competitive in quality, price and range of products. Davidson (1973) shared his sentiment when he averred that:

The African nationalist inherited a ‘dish’ (that is the colonial state) that was old and cracked… worse than that, it was an empty dish that carried the junk and rubble of a century of colonial muddle and ‘make-do’. What shone upon its supposedly golden surface was not the reflection of new ideas and ways of liberalization, but the shadow of old ideas and ways of servitude.

The above quotation flows from the fact that given the colonial experience and the neocolonial strangehold of imperialism, African countries have continued to lag disastrously behind, and participating in the global economy might only likely reinforce that dependency. In the same vein, Khor (2002) argues that globalization’s dark sports could likely lead to lack of tangible benefits for less developed countries that have opened their economies. Thus, as Kesselman, et al (2010:8) rightly pointed out:

Globalization has also provoked challenges from grassroots movements in every region of the world that are concerned with its negative impact on, for example, poor people, the environment and labour rights. All of these globalization processes complicates politics ... erode the ability of countries to control their destinies... None can preserve pristine national models of economic governance or distinctly national cultures, values, understanding of the world, or narratives that define a people and forge their unity.
Clearly therefore, there are a host of challenges confronting many states particularly third world countries as they come to terms with the globalization process, these includes pandemics like AIDS, global climate change, financial panics, competition for scarce resources and international terrorism.

The crux of this paper is however to articulate the basic assumptions of the neoclassical liberal theory with respect to erking out their relevance or otherwise in understanding the phenomenon of globalization and African development. In an attempt to achieve this arduous task, the authors opted to dissect the paper into parts so as to make for easy understanding and assimilation. These includes the abstract, introduction, conceptual foundations, theoretical framework, a critique of neo-classical theory, neo-classical theory and globalization, globalization and African development: a neo-liberal perspective, the relevance of Marxism to Africa, the way forward for Africa and conclusions.

Conceptual Discourse

As aptly underscored by Chafe K.S (1994: 131) “the primary requirement for bating anything is to understanding first and foremost the actual thing being talked about” is certainly raises the need to understand what globalization and development actually in terms of their nature and character.

Globalization

Cohn (2010:383) has conceived globalization as a process that involves the broadening and deepening of interdependence among societies and states throughout the world. Held et al (in Hoogvelt, 2001:120) presents a spectrum of definitions and approaches to the study of globalization. They identify a skeptical thesis, a transformationalist thesis and a hyper-globalist thesis corresponding to whether one views globalization as primarily an economic, a social or a political phenomenon. They argue that globalization ahs brought qualitative changes in all cross border transactions, a phenomenon they describe as time-space compression in the total annihilation of space through time.

According to Kwanashie (1991:17) globalization is a process of increased integration of national economies with the rest of the world to create a more coherent global economy. It is thus a process of shifting autonomous economies into the global market, the system integration of autonomous economies into the global system of production and distribution. Ohiohenuan (1998:7) posits that globalization is first and foremost apprehended in economic and financial terms. As such it may be defined as the broadening and deepening linkages of national economies into a worldwide market for goods, services and especially capital.
Globalization according to Oyejide (1998:107) refers to the increased integration across countries of markets for goods, services and capital. This in turn implies accelerated expansion of economic activities globally and sharp increases in the movement of tangible and intangible goods across national and regional boundaries. With that movement, individual countries are becoming more closely integrated into the global economy.

The above definition points to the fact that the globalization process greatly impacts on every facet of not just economic life alone, but also social, cultural and political spheres of almost all the world’s peoples. However, the IMF (1997) appeared to view globalization primarily from an economic point. It sees globalization as

The growing economic interdependence of countries world wide through the increasing volume and variety of cross-border transaction in goods and services and of internal capital flows and also through the more rapid and widespread diffusion of technology.

Thus, globalization, whether viewed primarily as an economic, cultural, political or social phenomenon has become the defining factor in the present age of world societies. While the benefits and strengths of this process have been stressed by its protagonists and apostles, there has been increasing disillusionment about the whole process this result from the seeming lack of tangible benefits to most developing countries for opening up their markets. As such, despite the well published claims of export and import gains, the growing inequalities of wealth and opportunities, arising from globalization fuel the perception that environment, social and cultural problems have worsened by globalization. This paper will undertake to analyze the strengths, weakness, opportunities and threats of the globalization process.

Development

The concept of development is also a victim of definitional pluralism give to its multidimensional nature. The term is a normative concept and some scholars argue that it relative to time, place and circumstances and hence cannot be reduced to one universally applicable formula. Ujo (1995:5) citing Todaro, puts it that development is beyond economic indicators. He maintains that development is both a physical process and a state of mind, the transformation of institution is one aspect. The other aspect is that the thinking of the people must change.

To Dudley seers (1969: 2)

... analysis of development is important in its emphasis on equality as well as growth... development can be assessed by asking ....

What has happened to unemployment?
What has happened to inequality?
What has happened to poverty?
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For Rodney (1972), development is the ability of a society to tap its natural resources in order to cater for the material and social needs of the society of the generality of the people.

Iyoha and Onwuka (1966:22) citing Orewa, has it that development is:
A programme which has the objective and strategy which are aimed at transforming the citizens in the rural areas from the victim of poverty, ignorance and disease into a contented human being, able to earn an income capable of sustaining a reasonable (decent) standard of living for himself and his family.

Theoretical Framework

The term ‘Neoclassical theory’ was originally introduced by Thorston Veblen in 1900, in his ‘pre-conceptions of Economic Science’ to distinguish marginalists in the tradition of Alfred Marshall from those in the Austrian school (Wikipedia, 2011). However, the neoclassical tradition is frequently dated from William Stanley Jevon’s theory of political Economy (1871), Carl Menger’s Principles of Economics’ (1871) and Leon Walra’s ‘Element of Pure Economic’ (1874). These three economists are said to have begun the “marginal revolution” in economies (Jaffe, 1976: 511). Other known proponents of the neoclassical school includes, H. Johnson (1967), Ellsworth (1969), J. Meier (1970), C. Berasten (1979), J. R. Hicks (1939), J. Robinson (1933), E. Chamberlin (1933), J. M. Keynes (1936), Jeremy Betham, John Stuart Mills, and others.

The neoclassical approach grew out of the dissatisfaction with the mercantilist and classical tradition of Adam Smith, David Ricardo, Robert Malthus etc (Mishan, 1982) such embodied a defence of the social relations of private ownership, of the means of production, of the efficacy of smiths invisible hands, and of the policy of minimum government intervention in the workings of the market place. The neoclassical however argued against freedom from state intervention and did not quite agree that the logic of market system would ensure optimum resource allocation (Szentes, 1971).

Bhaduri and Nayyar (1996) strengthens this position when they argued that

Contrary to the laissez-faire structural adjustment model, both the market and the state have key roles …… an unbridled economic role for the government in the name of distributive justice is often a recipe for disaster in the long run, but on the other hand, market solutions are often ruthless to the poor. Moreover, government failure does not imply that a reliance only on markets will succeed.

Accordingly, neoclassists advocate for some government involvement to promote more equality and justice in a free market economy.
Neoclassical theory is characterized by several assumptions, common to many tools of economic though. Accordingly, there is not a complete agreement on what is meant by neoclassical theory (Wikipedia, 2011). However, as expressed by Weintraub (2007), neoclassical theory rests on three assumptions namely:
1. People have rational preference among outcomes that can be identified and associated with a value
2. Individuals maximize utility and firms maximize profits
3. People and independently on the basis of full and relevant information

From these three assumptions, neoclassical theorists have been able to build a structure to understand the allocation of scarce resources among alternative ends; what is often considered the definition of economics (Wikipedia, 2011). The neoclassical theory generally posits a world in which individuals pursue their selfish material interest and in which the general welfare of the population will be promoted (Chilcote, 1994; Almond, et al 2004). The theory leads to the basic conclusion that a perfectly competitive market system will lead to Pareto optimal outcomes (cooper, 1972: 179). Scholars in the Keynesian and Neo-Keynesian schools of thought believe in state intervention and participation in economic activities. They contend that, for there to be full employment equilibrium, the control of inflationary gap and general recession, government intervention was needed to inject money into the economy, and to embark on fiscal policies and monetary policies to correct the distortions (Anifowose and Enemuo, 1999: 43). This mode of scholarship clearly came in the wake of the general misery of the “Great depression” of the 1930s and the problems with the ‘cyclical crisis’ of capitalism visited on the world (Hoogvelt, 2001; Dibua 1998).

Keynes (1936) wrote in his ‘The General Theory of Employment, Interest and Money’ that “the central controls necessary to ensure full employment will of course involve a large extension of the traditional functions of government” Keynes’ support for government resulted in a greater willingness to accept public sector deficits in order to finance public works or other spending programmes designed to lower unemployment (Hall, 1989:7). According to some economists therefore, advocating some level of government intervention is a necessary condition for the effective functioning of markets (Cohn, 2010: 77).

Additionally, neoclassical theorists proposed a theory that the value of a product was to be explained with differences in utility (usefulness) to the consumers; what was known as utilitarianism of Jeremy Bentham and later John Stuart Mills (Wikipedia, 2011). The framework of neoclassical economies according to Weintraub (2007) is easily summarized; buyers attempt to maximize their gains from getting goods by increasing their purchases of a good until what they have to gain from an extra unit is just balanced by what they have to give up to obtain it, thus maximizing ‘utility’. Likewise, individuals provide labour to firms that wish to employ them by balancing the gains from offering the
marginal unit of their services with the disutility of labour itself (the loss of leisure). Similarly, producers attempt to produce units of a good so that the cost of producing the incremental or marginal unit is balanced by the revenue it generates thereby maximizing profits.

The neo-classical vision involves economic ‘agents’ be they household or firms, optimizing subject to all relevant constraints. Value is linked to unlimited human desires and wants colliding with constraints or scarcity. The tension, decisions and problems are worked out in the markets. Prices are the signals that tell households and firms whether their conflicting desires can be reconciled. This is the neoclassical vision.

Based on the foregoing, we can speak of the neoclassical theory of profits, employment, growth, the firm etc or even neoclassical theory of marriage and divorce and the spacing of births (Weintraub, 2007). Mention need be made here that this paper focuses on the basic assumptions of neoclassical theory and as such does not subscribe to any particular strand of the theory.

A Critique of Neo-Classical Theory

It is also necessary to indicate in the final analysis, for the benefit of hindsight that all liberals whether classical or neoclassical believe that the international economic system functions best if it ultimately depends on the price mechanism and the market, they only disagree on the extent of government involvement (Cohn, 2010 : 79).

Critics have questioned the liberal view that advances in technology transportation and communication rather than global redistribution can solve the world’s most urgent economic and environmental problems. Rather, technological advances may in fact contribute to greater North-South inequalities. Liberals also assume that open economic policies and interdependence will improve LDC opportunities, without considering North-South political power relationships. The power relationships are essentially asymmetrical. Tanzania’s former president Julius Nyerere acknowledged this when he remarked to a G77 ministerial meeting thus:

…what we have in common is that we are all, in relation to the developed world, dependent – not interdependent nations. Each of our economies has developed as a by-product and a subsidiary of development in the industrialized North, and is externally oriented (Cohn, 2010: 95)

Liberal theorists are further criticized for putting too much faith in the market thereby under theorizing the role of the state.

Moreso, according to Hennings (2008), neoclassical theory is based on utilitarianism and this begs the question as to whether the application of the model results in “the greatest happiness for the greatest number”. The greatest
benefits however seems to go to the more established capitalist economies. Another criticism which flows from the one above is that the neoclassical theory is based on the premise of weak sustainability. Weak sustainability is a fairly simple premise which states that overall capital stock should be non-decreasing. It allows for natural resources to be completely depleted as long as other forms of capital compensate for this loss. A country could thus quickly find itself on a tract to unsustainable development.

Another significant shortcoming of the neoclassical perspective is the fact that it fails to recognize the importance of natural resources an the environment in sustaining development, thus, as long as the model is guided by the principle of weak sustainability, it will continue to be a poor director of economic growth in developing countries.

Although monopolies of resources purchase and product sale are a pervasive third world Phenomenon, the traditional neoclassical theory of monopoly offers little insight into the day-to-day activities of public and private Corporations (Todaro, 1994:90).

Clearly, the reality of the institutional and political structure of many third world economies – not to mention their differing value systems and ideologies often make the attainment of appropriate economic policies based on markets or enlightened public intervention an exceedingly difficult endeavor.

Neoclassical Theory and Globalization

Whereas realist emphasizes the role of the states liberals attribute globalization to technological change, market forces, and international institutions. No wonder Wriston (1988:71) argues that;

Our new international finance regime … was not built by politicians, economists, central bankers or by finance ministers… it was built by technology. Advances in transportation and communication are shrinking time and space so rapidly that governments can do nothing to stop the globalization process. In addition to technology, liberals attribute globalization to the competitive market place and to legal and institutional arrangements (Hoogvelt, 2001; Cohn 2010). Giddens (In Hoogvelt, 2001) conceives globalization as:

The intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa.

This shrinking of the world to a global village obviously amounts to a virtual annihilation of space through time. For instance, Hoogvelt (2001) argues that between 1500 and 1840, the best average speed of horse-drawn coaches and sailing ships was 10mph, while between 1850 and 1930 it was 65mph for steam locomotives and 36mph for steam ships. B the 1950s however, propeller aircrafts
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covered distances at 300-400 mph while the latest jet passenger aircraft reach a
cool 560-700mph. Thus people are now able to have social relations and even
organized community relations regardless of space, this has enormous
consequences not only for the role of the nation-state as a territorially bound
community but also for the organization of economic production on a cross-
border basis. It is this globalization of shared phenomenal worlds that drives the
processes of economic globalization (Hoogvelt, 2001).

Most neo-classical would argue that the state lack capacity to deal with
many global issues ranging from climate change to capital mobility and financial
crisis. Thus globalization is constraining the state and forcing it to view with
other significant factors such as multinational corporations (MNCs), international
organizations and non-governmental organizations.

A central argument of the neoclassical paradigm is that
underdevelopment results from poor resource allocation due to incorrect pricing
policies and too much state intervention by overly active third world
governments (Todaro, 1994 : 86). Leading writers in this school such as Lord Peter Bauer, Deepak Lal, Ian Little, Harry Johnson, Bela Balassa, Julian Simon, Jagdish Bhagwati and Anne Krueger, argue that it is this very excessive state intervention in economic activity that slows the pace of economic growth and makes it difficult for third world nations to enjoy the gains of a rapidly globalizing world. By implication therefore, neoliberal scholars contend with third world underdevelopment is a function of the heavy hand of the state and the
corruption, inefficiency and lack of economic incentives that permeate the
economics of developing nations.

In a nutshell, neo-liberal scholars have argue that what third world
countries need, is not reform of the international economic system, a
restructuring of dualistic developing economics, an increase in foreign aid, an attempt to control population growth , or a more effective central planning system, rather it is simply a matter of promoting free markets and laissez-faire economies within the context of permissive governments that allow the “magic of the market place” and the “invisible hand” of market prices to guide resource allocation and stimulate economic growth and development (Todaro, 1994 : 87, Hoogvelt,2001)

Clearly therefore, neo-classists conclude that globalization is an
important fallout of neo-liberal theorizing in that the phenomenon of free markets
and rugged individualism has driven technology and economic progress which
now in turn impacts on virtually all parts of our contemporary world.
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The economic crisis currently confronting African countries has led to an almost universal embrace of neo-liberalism is the assumption the crisis can only be understood within the context of the fundamental factor responsible for the economic crisis in Africa is the excessive state regulation of the economies of African countries. Which among other things distorts the process of economic development and leads to inefficiency in the allocation resources. According to neoclassical liberal scholars, the problem can only be overcome through the peripheralization of the state and the ascendancy of market forces in Africa’s political economy. (Che, 2010; Dibua, 1988).

The international financial institution (IFIs) have become the primary instruments for the implementation of the neo-liberal agenda in Africa. The neoliberal prescriptions are embodied in the stabilization and structural adjustment programme (SAPs) of these institutions. There is no gainsaying that the worsening economic crisis in Africa, particularly the unstable debt burden, has created the opportunity forth western capitalists nations and the IFIs to collaborate in imposing neo-liberal policies on African countries. For instance, both the IMF and the World Bank demand that African countries adhere to the implementation of stabilization and adjustment programmes before they can obtain loans from these institutions or have their debts rescheduled or forgiven.

It is worthy of note that externally imposed neo-liberal policies have been betrayed as the only credible solution to the African crisis in spite of the fact that for more than two decades, the implementation of structural adjustment has resulted in worsening of the economic crisis in African countries, the proponents insists there are no alternatives to them even when acknowledge some of the flaws of SAPs (Stiglitz, 2002). They instead place most of the blame on African countries for not having the political will or creating the enabling environment necessary for the successful implementation of the programmes (Hussain and Farugee, 1994). They have insisted for example that African countries are so “hemmed in “or so” lost between the state and the market” (Callaghy, 1994) that they have no credible alternative to SAPs. Biersteker (1992) believes that there is now a sort of agreement among neo-liberal scholars and policy makers that the absence of an alternative to SAP is an ideological triumph of neo-liberal thought, a situation which Francis Fukuyama has described as “the end of history (Fukuyama, 1991).

Another important strand of neoliberal analysis regarding African development is captured in the works of H. Johnson (1967), Ellsworth (1969), F. Meier (1970) and C. Berasten (1979). These scholars centered their analytical praxis on multinational corporations (MNCs) and the roles they play in development or lack of it in Third World countries. The impressive growth of multinational enterprises in the post war period according to Hoogvelt (2001:77)
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has generally left commentators in search of superlatives: phenomenal, explosive, dramatic and amounting to complete transformation of the world economy. These MNCs are supposedly the principal drivers of Foreign Direct Investments (FDIs). However, as noted by Hoogvelt (2001: 78), what has been worrisome is that a consistent feature of post war FDI flows is the geographic redirection of such flows away from the periphery and into the core of the system.

Neoliberal scholars will instead, want us to believe that these multinational corporations promote the economic growth of their host countries by importing into these countries the much desired capital for all form of investments, a second argument akin to the first is that capital brought into developing countries serves to reconcile (Fill) the gap between foreign exchange requirements, net export earnings plus net public foreign and (Todaro, 1994). Also, it is argued that through taxing MNC’s profits and participating in their operations, Third world governments can better mobilize the finance necessary for socio-economic development. Moreso, there is a gap in management, entrepreneurship, technology and skill which is presumed to be wholly filled by the local operations of private foreign firms. MNCs it is argued also bringing sophisticated technological knowledge about production processes while transferring modern machinery and equipment to capital poor third world countries.

Critics of the activities of MNC in Third World countries however indicate that MNC’s may lower domestic savings and investments by stifling competition through exclusive production agreement with host countries failing to reinvest much of their profits, inhibiting the expansion of indigenous firms and imposing high costs on capital borrowed by host governments. Again, the management, entrepreneurial skills, ideas, technology and overseas contacts provided by MNCs may have little impact on developing local sources of these scarce skills and resources. More importantly, Todaro (194:540) argues that the impact of MNCs on development is very uneven and that in many situations MNC activities reinforce dualistic economic structures and exacerbate income inequalities. In addition, MNCs typically produce inappropriate products (those demanded by a small rich minority), stimulate inappropriate consumption patterns through advertising and their monopolistic market power and do this all with inappropriate (capital-intensive) technologies of production.

The Relevance of Marxism to Africa

There is no gainsaying that socialism in Africa is on the retreat. The collapse of the former Soviet Union in 1989 and the apparent economic triumphalism of neo liberalism dealt with a devastating blow to a credible discourse on socialism, especially Marxist socialism (Simutanyi, 2006).
Everywhere, Marxism and socialism came to be associated with vanguardism, authoritarians and excessive state intervention. Admittedly, many African dictators used the language of Marxism and socialism to deny their people basic freedoms and indulge in excessive and wasteful spending of state financial resources. Thus while applying the neoliberal option, such economies collapsed under the weight of widespread state corruption and cronyism (Chabal and Daloz, 1999).

Nevertheless, it is our contention that the policies of neoliberalism in the context of Africa have failed to provide the panacea to poverty and underdevelopment. We argue rather that neoliberalism has served to exacerbate poverty and inequality in third world countries. Moreover, globalization has exposed a fundamental flaw, which is that there is no correlation between the nature of the political system and its ability to adapt to economic realities. China and Cuba are good examples of socialist countries that have survived capitalist isolationist policies. While China has been embraced as a legitimate trading partner giving its acceptance of a market economy within the framework of socialist political system, Cuba has continued to suffer all forms of sanctions and economic isolation, mainly to discredit the success of a socialist experiment at the backyard of the citadel of world capitalism, the United States (Simutanyi, 2006).

In capitalist society, politics tends to be organized on class lines. That is to say those political parties tend to mirror sectional interests. The paradox of new political liberalism which comes as a package with neoliberalism is that political parties lack any ideological differentiation; given those neoliberal is a dominant ideology in the continent. Political parties have all come to embrace them in their manifestoes (Simutanyi, 2006).

African countries clearly lack a real ideological debate on the type of social system that will engender real growth and ensure improvements in standards of living of the people. For the past 20 years, there has been one discourse which is that there is simply no alternative to the present economic paradigm based on neoliberalism. African politics lack a class basis, hence political parties are led by influential individuals with money and not firmly rooted with the people.

What is clear is that the neoliberal paradigm does not guarantee social welfare, improve income and reduce social inequalities. If anything, structural adjustment programmes call for reductions in social spending as wasteful, especially in the crucial factors such as health and education thereby leading to a decline in social indicators (Simutanyi, 2006).

The Marxist theory is at least sensitive to the idea of extending social welfare to the greatest number of people. Hence it emphasizes a type of politics that takes into account people’s welfare as the modus operandi in party politics,
sadly, the elite segment of the population in most African countries such as Zambia and Nigeria have compromised by carecrism and sheer opportunism (Callaghy, 1994).

The tendency that Marx identified towards the concentration and centralization of capital and the inefficiency of the market are relevant in Africa today. In the case of most African countries, the consistent implementation of neoliberal policies overtime has not contributed to a reduction in poverty, reduce income inequalities and put African economies on the road to sustainable growth. Thus, African countries are among the poorest in the world despite structural adjustment.

Most critiques of Marx scarcely engage with his profound economic analysis of capitalism rather, the most common critique has invariably been directed at the failure of the social project in the world. It is important to point out however, that the relevance of socialism is not related to the nature of socialism. Thus following from Marxist dialectics, the handling of class contradictions explained the success or failure of the socialist project in many countries. Marx did not provide a blueprint on how socialism could be established; he only provided a theory derived from the observation of dynamics of the capitalist system. Hence, those who blame Marxism for the failure of socialism simply do not understand the role of Marxist theory in social reconstruction.

Presently, there is an absence of a viable alternative to neoliberalism in Africa which has helped entrench the neoliberal paradigm as the only panacea of economic development in the continent. The absence of alternative discourses to neoliberalism will only help entrench capitalist exploitation of African economies as the example of Nigeria has shown. The adoption of neoliberal economic policies like structural adjustment via privatization, open markets, liberalization etc have only compounded class inequalities, increased poverty and the pauperization of the masses to the effect that African countries have been totally banished to the role of raw material production, which feeds the industrial economies of world capitalist centres.

Conclusion

This paper has tried to demonstrate that the discourse on African development crisis understood within the context of a rapidly globalizing world is dominated by neoliberalism. Thus, through the prism of the neoclassical theory, we were able to painstinkly analyze globalization and the development trajectory in Africa. We examine the arrogance and the ideological triumphalism among proponents of neo-liberalism who, in a manner reminiscent of the discredited modernization theories of the past, believe that the only panacea to
the development crisis in Africa is for African countries to subscribe to the neo-liberal agenda.

But overwhelming evidence from Africa shows that neo-liberal economic policies have not only worsened the continent’s development crisis, but are in fact helping to further entrench imperialist control of African countries, like China, Cuba and others should consider alternative perspective whilst seeking a reordering of the global capitalist system.

We conclude by arguing that Marxist socialism may yet present a ready alternative to neo-liberalism, only that the theory be applied with cognizance to the peculiar circumstances prevalent in each African country and with emphasis on rural development (development from below) as did China. Finally, African states should pursue policies that seek to root out internal development constraints such as corruption, nepotism, lack of political will in addition to aiming for diversification of their economies if they may yet make some useful gains from the current era of globalization that happens to be a fall out of neo-liberal theorizing.

**The Way Forward For Africa**

It needs to be clarified here that this work does not set out to discredit the neo liberal economic paradigm. Rather, our emphasis on the development of an alternative discourse to neoliberalism flows from our fear that given the absence of a viable alternative to neo liberalism, and given the overwhelming evidence that neoliberal economic policies have further worsened the development crisis in Africa, they could help further entrench imperialist control of African countries. In view of the acute contradictions, limitations and the debilitating nature of the development crisis in Africa, there is no doubt that there is a need for African countries to tinker with other possible alternatives, whilst still seeking a reordering of the global economic order.

Africa can borrow a leaf from China, a communist driven economy enjoying phenomenal economic resurgence in recent decades. China built its economy through protectionism and temporal isolationism while focusing on rural development (Keselman, et al 2010; Magstadt, 2006). African countries are basically agrarian economies and as such any viable step toward development should start with an agrarian revolution. There clearly is no need for African economies to break from the world capitalist system, though China is a socialist state, it is effectively involved in the globalization process, thus, African countries must identify how they want to move forward instead of muddling through with self-defeating policies and strategies. How such strategies are created and the nature they take cannot be based on dogma, but on concrete realities prevailing in specific countries.
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What we need in Africa is obviously an agricultural revolution and home made policies and strategies which are in touch with the concrete realities of African countries. The tragedy is that the world economy is already structured and Africa has been handed the role of raw material production which makes it difficult for it to compete favourably with countries of Western Europe and North America. This division of labour anchored on the neo-liberal logic of comparative advantage continually guarantees the peripheralisation of African economies, and world capitalist centres would do all that is possible to ensure that this unequal relationship remains the defining feature of globalization, thereby leaving African states with no option than to consider alternatives to neo-liberal thinking if they must stamp their authority in the round table of international economic discussion.

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