MPRA
Munich Personal RePEc Archive

Western Guilt and Third World Development: Part 1

Joseph Baafi Antwi

SODERTORNS UNIVERSITY

26. January 2011

Online at http://mpra.ub.uni-muenchen.de/28422/
MPRA Paper No. 28422, posted 27. January 2011 15:19 UTC

TITLE

WESTERN GUILT AND THIRD WORLD DEVELOPMENT – THE FINAL VERDICT : PART 1

JOSEPH ANTWI BAAFI

MSc ECONOMICS

Södertörns University

School of Social Science

Sweden

24TH JANUARY 2011

EMAIL: jobash5@yahoo.com

ABSTRACT

The issue of Western guilt has enjoyed much attention after the independence of most colonized countries in the Third World (developing countries). Western guilt is defined here as the feeling that the West (developed countries) is responsible for the poverty of the Third World. For sometimes now, both the West and the developing countries have had some kind of agreement on the subject. But there has been an emergence of a new ideology championed mainly by Peter Bauer who has argued sternly against Western guilt. This ideology has caused many to sit up to reconsider the subject. The main of this paper is to provide the final verdict on this issue and bring the subject to a close. To do this, the paper identified four main factors of the proponents of Western guilt which includes Colonialism, Neo-colonialism, Slave trade and Trade Barriers. Part one of this work argued in favour of Western guilt using these four thematic areas. It was concluded that the West have been a major contributor of Third World poverty. Part two of this work will consider the otherwise of the situation and a verdict will be provided.

1.0 INTRODUCTION

You taught me language; and my profit on't
Is, I know how to curse: the red plague rid you.
For learning me your language!

Shakespeare, The Tempest

Western guilt and third world development; are these just words or they are actually the prevailing conditions we have in the world today. Did the developing countries borrow these words from the West and use these words against them? Were the developing countries taught these words or it was a learning process that developed between the West and the developing countries? Are the developing countries cursing and blaming the West for their predicaments and asking them to come to their aid? More of these questions could be asked. For some time now, Third World Countries have accused the West for their poverty and underdevelopment. This has led to many demands on the West to help them out of their present situation. But are these accusations really true? As Bauer stated in his introduction

> *....Western responsibility for the Third World backwardness is a persistent theme of the United Nations and its many affiliates. It has been welcomed by spokesmen of the Third World and of the Communist bloc, notably so at international gatherings where it is often endorsed by official representatives of the West, especially the United States. It is also widely canvassed in the universities, the churches, and the media the world over. Acceptance of emphatic routine allegations the West is responsible for the third world poverty reflects and reinforces Western feelings of guilt...*

Many more leaders in the Third World countries are pointing accusing fingers to the leaders of the West every now and then. The leaders in the West partially agrees to these accusation and act on them. Many writers have mostly argued in favour of the Third World countries. But for sometime now, there has been a strong argument from others who claims the West have no hands in the poverty situation of the Third World countries. Notable among them is the great development economist Peter Bauer.

The purpose of this essay is to settle the score and come out with a verdict on the topic that has produce much unrest on the minds of all involved. This essay will first review and consider the argument both in favour of and against the topic and later come out with a verdict.

2.0 PROPONENTS OF WESTERN GUILT

Many arguments have been advanced by proponents of this idea. In this essay, we identify the four major ones that have been the corner stones of such arguments. These are colonization, slave trade, neocolonialism and trade barriers

2.0.1 Colonization

Colonization occurs whenever any one or more species populate an area. The term, which is derived from the Latin colere, "to inhabit, cultivate, frequent, practice, tend, guard, respect, originally related to humans. However, 19th century bio-geographers dominated the term to describe the activities of birds, bacteria, or plant species[1]. Colonialism in this sense refers to Western European countries' colonization of lands mainly in the Americas, Oceania and Africa; the main European countries that were successful in this Colonial Era were France, Spain, The United Kingdom, Netherlands and Portugal. Each one of these countries had a period of almost complete power in the world trade from roughly 1500 to 1900.

Established empires, notably Britain, Portugal and France, had already claimed for themselves vast areas of Africa and Asia, and budding imperial powers like Italy and Germany had done likewise on a smaller scale. With the dismissal of the aging Chancellor Bismarck by Kaiser Wilhelm II, the relatively orderly colonization became a frantic scramble. The 1885 Berlin Conference, initiated by Bismarck to establish international guidelines for the acquisition of African

[1] Marcy Rockman, James Steele (2003), *The Colonization of Unfamiliar Landscapes,* Routledge.

territory, formalized this "New Imperialism". Khapoya notes the great self esteem some European states felt at possessing territory many times larger than themselves. He adds the significant contribution made by Africans to the struggle among the great powers for larger territories. He states that one million people of African descent fought for the Allies in World War One and two million in World War Two[2].

This colonial era, led to the massive exploitation of the resources of the Third World countries and plunged their economics in a state of disrepair. For example King Leopold II of Belgium called his vast private colony (Democratic Republic of Congo) the Congo Free State. Effectively this meant those exploiting the area were free of all restraint and answerable only to the Belgian king. The treatments of the Africans under this system were harsh enough to cause the other colonial powers to plead with the Belgian king to exercise some moderating influence. Eventually the Belgian government annexed the territory as a Belgian colony. Khapoya states "*Belgian colonial rule saw massive transfers of wealth from Zaire (the Belgian Congo) to Belgium. Africans received only limited education, which would allow them to read the Bible, take orders efficiently from the missionaries and function, at best, as clerks in the colonial bureaucracy.*" (Vincent B. Khapoya, *The African Experience* p. 132). In 1960, Zaire had a relatively high literacy rate and one college graduate.

All colonial powers exercised trivial interest in the economics of the Third World. This included: acquisition of land, enforced labour, introduction of cash crops, even to the neglect of food crops, halting inter-African trading patterns of pre-colonial times and the continuation of Africa as a source of raw materials for European industry, therefore a continent not to be industrialized. It is worth it when Professor Peter Townsend of Essex University wrote:

---

[2] Vincent B. Khapoya, *The African Experience*, Prentice Hall, Upper Saddle River, NJ, 1998 (1994), p.115

> *... I argued that the poverty of deprived nations is comprehensible only if we attribute it substantially to the existence of a system of international social stratification, a hierarchy of societies with vastly different resources in which the wealth of some is linked historically and contemporaneously to the poverty of others. This system operated crudely in the era of colonial domination, and continues to operate today, though more subtly, through systems of trade, education, political relations, military alliances and industrial corporations*[3]

Other effects of colonalization also include conflict over boundaries. Most colonial borders were created either through conquest, negotiation between empires, or simply by administrative action, with little or no regard for the social realities of those living in the areas. Nevertheless, many of the leaders and governments of postcolonial states have fought to keep the territorial boundaries created by past imperialist governments. As a result, a number of boundary conflicts have arisen within post-colonial territories especially in Africa. Parties to these conflicts justify and legitimize their side's position, using different historical boundaries as evidence for their claims. For example, the Libya-Chad conflict involves a dispute over 114,000 square kilometers of territory, known as the Aouzou Strip. Libya justifies its claims to this territory based on ancient historical boundaries, while Chad justifies its stance based on boundaries established during the colonial period. This situation has caused a lot of unrest in Africa and Africans are still battling with it.

Colonial and Soviet powers often created situations that encouraged ethnic rivalry. For example, when the Soviets took control of the Ferghana Valley in Central Asia, they created boundaries that separated members of the same ethnic group (i.e. the Tajiks) into different multiethnic regions. "This enabled the Soviet authorities to continuously be called upon by the people of the region to help them manage conflicts that were bound to emerge as a result of these artificial

[3] Peter Townsend, *The Concept of Poverty* (London: Heinemann, 1970), pp. 41-42

divisions."[4] European and Soviet imperialists also sometimes favored one ethnic or religious group over other groups in the region. This practice created and promoted inter-group rivalries. The conflict between Greek Cypriots and Turkish Cypriots has its roots in ethnic rivalry encouraged during British colonial rule. During this time, Turkish and Greek populations were often played against one another as a means of maintaining control on the island. For example, as Greek Cypriots pushed for self-rule, the British encouraged Turkish Cypriots to actively oppose them. By the time the British pulled out of Cyprus in 1960, they had helped cleave deep divisions between the Greek and Turkish populations. The new independent nation, equally ruled by Greeks and Turks, soon was embroiled in ethnic conflict. Greek Cypriots wanted the entire island to become part of Greece, while Turkish Cypriots wanted the northern part of the island to become an independent Turkish state. Consequently, hostilities between the two groups escalated to the point of violence. Decades later, ethnic rivalries that were encouraged during British rule, continue to impact the people of Cyprus as violence between Greeks and Turks continues to periodical erupt on the island state. Similar ethnic division can in seen in Africa countries such as Rwanda, Sierra Leon, Angola, Congo DR, Burundi etc which has caused major civil and ethnic wars in Africa, hampering growth.

The practice of favoring one ethnic, religious, racial, or other cultural group over others in colonial society, helped to promote inter-group rivalries, and often contributed to the unequal distribution of resources. Favored or privileged groups had access to, important resources that allowed them to enrich their members, at the expense of nonmembers. For example, under Soviet rule the elite of the northern province of Leninabad were given almost special access to governmental positions. As a result, they sent an uneven share of the country's development and industry to this northern sector. The consequence of this action was that by 1992, over half of the country's wealth had been distributed to this

[4] Randa M.Slim "*The Ferghana Valley: In the Midst of a Host of Crises." In Searching for Peace in Central and South Asia: An Overview of Conflict Prevention and Peacebuilding Activities*, eds. Monique Mekenkamp, Paul van Tongeren, and Hans van de Veen, p. 141-142

one province. This also explains why the northern part of a country such as Ghana has very limited resources distributed by all governments. There is a large gap between the growth of the southern part and the northern part. Today, many post-colonial and post-Soviet states continue the practice of favoring one group over others, whether it be a minority European settler population (as in South Africa), a minority European alliance group (e.g., Lebanon, Syria, Rwanda, Burundi) or an internal ethnic group (e.g., India). As a result, we see numerous conflicts being caused in part, by dominant groups enacting and enforcing governmental, economic, political, and other social policies that distribute resources unequally among their nation's members.

Sri Lanka is an example of how the unequal distribution of wealth during colonial times, continues to affect ethnic relations today. Under colonial rule, Tamils, because of their higher rate of English-language skills, had easier access to higher education than did the Sinhalese. The better educated Tamil, thus dominated governmental and academic jobs, especially in the fields of medicine, science, and engineering. After independence, the Sinhalese majority implemented changes in the state's university admission policy that gave them an advantage in gaining access to higher education, specifically to science admissions. This policy resulted in a marked increase of Sinhalese working in the fields of medicine, science, and engineering, and a clear decline of Tamils. Today, as the admission policy to higher education is more equitable than in the past, the animosity created by first, colonial, and then post-colonial policies that promoted unequal access to education and thus, jobs, continues to breed distrust and conflict in the region.[5]

Another effect of colonization is the lack of governmental institutions, skills and experience. For the most part, colonial and Soviet satellite societies were oppressive and undemocratic in nature. Domestic governmental systems and structures were controlled and operated either from abroad or by a select domestic, privileged group. Consequently, when emancipation came, these states

[5] http://www.beyondintractability.org/essay/post-colonial/

lacked the internal structures, institutions, and democratic way of thinking needed to create good governance systems. The result is that many postcolonial states, although independent, are still ruled by repressive and restrictive regimes. For example, Melber (2002) states, "*the social transformation processes in Zimbabwe, Namibia, and South Africa can at best be characterized as a transition from controlled change to changed control.*[6]"

These and many more effects such as Human Rights abuses, exploitation, bribery and corruption etc have resulted in the complete backwardness of the Third World countries. Professor Ronald J. Sider, a prominent American churchman aggress with this point and writes 'it would be wrong to suggest that 210 million Americans bear sole responsibility for all the hunger and injustice in today's world. All the rich developed countries are directly involved.... We are participant in a system that dooms even more people to agony and death than the slave system did'.

Such arguments have been supported by leaders of the Third World countries such as Julius Nyerere (Former President of Tanzania) and Dr Kwame Nkrumah (Former President of Ghana). For example Dr Nkrumah describes the capitalist system of the West[7] as a world system of financial enslavement and colonial oppression and exploitation of a vast majority of the population of the earth by a handful of the so-called civilized nations[8]

---

[6] Henning Melber (2002), *Liberation without Democracy? Flaws of Post-Colonial Systems in Southern Africa*, http://www.dse.de/zeitschr/de102-7.htm
[7] Developed Countries
[8] Kwame Nkrumah (1962), *Towards Colonial Freedom* (London: Heinemann,)

2.0.2 SLAVE TRADE

Horrible and destructive as it was, many proponent of western guilt claim legitimately as a cause of Africa backwardness. The history of slavery covers systems throughout human history in which one human being is legally the property of another, can be bought or sold, is not allowed to escape and must work for the owner without any choice involved. A critical element is that children of a slave mother automatically become slaves.

In most African societies, there was very little difference between the free peasants and the feudal vassal peasants. Vassals of the Songhay Muslim Empire were used primarily in agriculture; they paid tribute to their masters in crop and service but they were slightly restricted in custom and convenience. These people were more an occupational caste, as their bondage was relative. In the Kanem Bornu Empire, vassals were three classes beneath the nobles. Marriage between captor and captive was far from rare, blurring the anticipated roles.

French historian Fernand Braudel noted that slavery was endemic in Africa and part of the structure of everyday life. "*Slavery came in different disguises in different societies: there were court slaves, slaves incorporated into princely armies, domestic and household slaves, slaves working on the land, in industry, as couriers and intermediaries, even as traders*" (Braudel 1984 p. 435). During the 16th century, Europe began to outpace the Arab world in the export traffic, with its slave traffic from Africa to the Americas. The Dutch imported slaves from Asia into their colony in South Africa. The nature of the slave societies differed greatly across the continent. There were large plantations worked by slaves in Egypt, the Sudan and Zanzibar, but this was not a typical use of slaves in Africa as a whole. In most African slave societies, slaves were protected and incorporated into the slave-owning family.

In Senegambia, between 1300 and 1900, close to one-third of the population was enslaved. In early Islamic states of the western Sudan, including Ghana (750–1076), Mali (1235–1645), Segou (1712–1861), and Songhai (1275–1591), about a third of the population were slaves. In Sierra Leone in the 19th century about half of the population consisted of slaves. In the 19th century at least half the population were enslaved among the Duala of the Cameroon, the Igbo and other peoples of the lower Niger, the Kongo, and the Kasanje kingdom and Chokwe of Angola. Among the Ashanti and Yoruba a third of the population consisted of slaves. The population of the Kanem was about a third-slave. It was perhaps 40% in Bornu (1396–1893). Between 1750 and 1900 from one to two-thirds of the entire population of the Fulani jihad states consisted of slaves. The population of the Sokoto caliphate formed by Hausas in the northern Nigeria and Cameroon was half-slave in the 19th century. It is estimated that up to 90% of the population of Arab-Swahili Zanzibar were enslaved. Roughly half the population of Madagascar was enslaved.[9] The Anti-Slavery Society estimated that there were 2,000,000 slaves in the early 1930s Ethiopia, out of an estimated population of between 8 and 16 million. Slavery continued in Ethiopia until the brief Second Italo-Abyssinian War in October 1935, when it was abolished by order of the Italian occupying forces. In response to pressure by Western Allies of World War II Ethiopia officially abolished slavery and serfdom after regaining its independence in 1942. On 26 August 1942 Haile Selassie issued a proclamation outlawing slavery.[10]

When British rule was first imposed on the Sokoto Caliphate and the surrounding areas in northern Nigeria at the turn of the 20th century, approximately 2 million to 2.5 million people there were slaves. Slavery in northern Nigeria was finally outlawed in 1936.

David Livingstone wrote of the slave trades:

> *To overdraw its evils is a simple impossibility.... We passed a slave woman shot or stabbed through the body and lying on the path. [Onlookers] said an Arab who passed early that morning had done it in anger at losing the price he had given for her, because she was unable to walk any longer. We passed a woman tied by the neck to a tree and dead.... We came upon a man dead from starvation.... The strangest disease I have seen*

---

9 Slow Death for Slavery (1993), Cambridge University Press.

10 Richard E. Irby Jr, (1994), *Chronology of Slavery*, http://www.webcitation.org/query?url

in this country seems really to be broken heartedness, and it attacks free men who have been captured and made slaves.

Livingstone estimated that 80,000 Africans died each year before ever reaching the slave markets of Zanzibar. Zanzibar was once East Africa's main slave-trading port, and under Omani Arabs in the 19th century as many as 50,000 slaves were passing through the city each year.

Recent revisions of estimates for the volume of the trans-Atlantic slave trade suggest that approximately 11,863,000 slaves were exported from Africa during the whole period of the Atlantic slave trade and still well within the range projected by Curtin in 1969. More accurate studies of the French and British sectors indicate that some revision in the temporal and regional distribution of slave exports is required, especially for the eighteenth century. The greater precision in the regional breakdown of slave shipments is confirmed by new data on the ethnic origins of slaves. The analysis also allows a new assessment of the gender and age profile of the exported population. By the eighteenth century, west-central Africa was exporting twice as many males as females.[11]

Most scholars find that the trade in slaves had a detrimental effect on long-term economic growth and development. It ultimately undermined local economies and political stability as villages' vital labour forces were shipped overseas as slave raids and civil wars became commonplace. With the rise of a large commercial slave trade, driven by European needs, enslaving your enemy became less a consequence of war, and more and more a reason to go to war. The slave trade impeded the formation of larger ethnic groups, causing ethnic fractionalization and weakening the formation for stable political structures. It also reduced the mental health and social development of African people.[12] Karl Marx in his influential economic history of capitalism Das Kapital claimed that

[11] Paul E. Lovejoy (2009), *The Impact of the Atlantic Slave Trade on Africa: A Review of the Literature*, The Journal of African History (1989), 30: 365-394 Cambridge University Press

[12] Nunn, Nathan (February 2008), *The Long-Term Effects of Africa's Slave Trades,* Quarterly Journal of Economics (Cambridge, MA: MIT Press)

'...the turning of Africa into a warren for the commercial hunting of black-skins [that is, the slave trade], signaled the rosy dawn of the era of capitalist production.' He argued that the slave trade was part of what he termed the 'primitive accumulation' of European capital, the 'non-capitalist' accumulation of wealth that preceded and created the financial conditions for Britain's industrialization.[13]

Eric Williams had attempted to show the contribution of Africans on the basis of profits from the slave trade and slavery, and the employment of those profits to finance Britain's industrialization process. He argues that the enslavement of Africans was an essential element to the Industrial Revolution, and that European wealth is a result of slavery. However, he argued that by the time of its abolition it had lost its profitability and it was in Britain's economic interest to ban it. Seymour Drescher and Robert Antsey have both presented evidence that the slave trade remained profitable until the end, and that reasons other than economics led to its cessation. Joseph Inikori has shown elsewhere that the British slave trade was more profitable. A similar debate has taken place about other European nations. French slave trade was more profitable than alternative domestic investments and probably encouraged capital accumulation before the Industrial Revolution and Napoleonic Wars.[14]

The demographic effects of the slave trade are some of the most controversial and debated issues. Tens of millions of people were removed from Africa via the slave trade, and what effect this had on Africa is an important question. Walter Rodney argued that the export of so many people had been a demographic disaster and had left Africa permanently disadvantaged when compared to other parts of the world, and largely explains that continent's continued poverty.[15] He presents numbers that show that Africa's population stagnated during this period, while

[13] Marx, K (1876), *Chapter Thirty-One: Genesis of the Industrial Capitalist, Das Kapital*: Volume 1

[14] Guillaume Daudin (2004), *Profitability of slave and long distance trading in context : the case of eighteenth century France*, Journal of Economic History, vol. 64.

[15] Rodney, Walter (1972), *How Europe underdeveloped Africa*, London: Bogle-L'Ouverture Publications, 1

that of Europe and Asia grew dramatically. According to Rodney all other areas of the economy were disrupted by the slave trade as the top merchants abandoned traditional industries to pursue slaving and the lower levels of the population were disrupted by the slaving itself. Joseph E. Inikori argues the history of the region shows that the effects were still quite deleterious. He argues that the African economic model of the period was very different from the European, and could not sustain such population losses. Population reductions in certain areas also led to widespread problems. Shahadah also states that the trade was not only of demographic significance, in aggregate population losses but also in the profound changes to settlement patterns, epidemiological exposure and reproductive and social development potential. In addition, the majority of the slaves being taken to the Americas were male. So while the slave trade created an immediate drop in the population, its long term effects were even more drastic. Elikia M'bokolo writes

> *...the African continent was bled of its human resources via all possible routes. Across the Sahara, through the Red Sea, from the Indian Ocean ports and across the Atlantic.... four million slaves exported via the Red Sea, another four million through the Swahili ports of the Indian Ocean, perhaps as many as nine million along the trans-Saharan caravan route, and eleven to twenty million across the Atlantic Ocean.....*[16]

Maulana Karenga concludes the effects of African slave trade in the following sentence "*the morally monstrous destruction of human possibility involved redefining African humanity to the world, poisoning past, present and future relations with others who only know us through this stereotyping and thus damaging the truly human relations among people of today*"[17]. He cites that it constituted the destruction of culture, language, religion and human possibility.

[16] Elikia M'bokolo, *The impact of the slave trade on Africa*, http://mondediplo.com/1998/04/02africa

[17] Maulana Karenga (2001), *The Ethics of Reparations: Engaging the Holocaust of Enslavement,* at The National Coalition of Blacks for Reparations in America (N'COBRA) Convention, Baton Rouge, LA, June 22-23

2.0.2.0 *Empirical Evidence of the adverse effects of Slave trade in Africa*

Evidence from Professor Nathan Nunn

A Professor in economics by name Nathan Nunn of the University of British Columbia showed empirical evidence of the effects of slave trade. Slavery, he acknowledged has played an important role in Africa's underdevelopment. It fostered ethnic fractionalization and undermined effective states. The largest numbers of slaves were taken from areas that were the most underdeveloped politically at the end of the 19th century and are the most ethnically fragmented today. Recent research suggests that without the slave trades, 72% of Africa's income gap with the rest of the world would not exist today. African historians have documented the detrimental effects that the slave trades had on the institutions and structures of African societies. Historical evidence from case studies show how the slave trade caused political instability, weakened states, promoted political and social fragmentation, and resulted in a deterioration of domestic legal institutions.

Nathan noted that Between 1400 and 1900, the African continent experienced four simultaneous slave trades. The largest and most well-known is the trans-Atlantic slave trade where, beginning in the fifteenth century, slaves were shipped from West Africa, West Central Africa, and Eastern Africa to the European colonies in the New World. The three other slave trades -- the trans-Saharan, Red Sea, and Indian Ocean slave trades -- are much older and predate the trans-Atlantic slave trade. During the trans-Saharan slave trade, slaves were taken from south of the Saharan desert and shipped to Northern Africa. In the Red Sea slave trade, slaves were taken from inland of the Red Sea and shipped to the Middle East and India. In the Indian Ocean slave trade, slaves were taken from Eastern Africa and shipped either to the Middle East, India or to plantation islands in the Indian Ocean[18].

[18] Nathan Nunn (2007), *The historical origins of Africa's underdevelopment*, University of British Columbia

In his paper entitled '*The Long-Term Effects of Africa's Slave Trades*' he explored empirically whether these detrimental effects of the slave trades can explain part of Africa's current underdevelopment. He undertakes this by first constructing estimates of the number of slaves taken from each country in Africa between 1400 and 1900. Professor Nunn state that

> *.... if the slave trades are partly responsible for Africa's current underdevelopment, then looking across countries within Africa, one should observe that the parts of Africa that are the poorest today are also the areas from which the largest number of slaves were taken in the past. My research shows that this is indeed the case. The countries from which the most slaves were taken (taking into account differences in country size) are today the poorest in Africa...'* he also noted '*...parts of Africa from which the largest number of slaves were taken were initially the most underdeveloped. Today, because these characteristics persist, these parts of Africa continue to be underdeveloped and poor. My research examines this alternative hypothesis by testing whether it was in fact the initially least developed parts of Africa that engaged most heavily in the slave trades. I find that the data and the historical evidence suggest that, if anything, it was the parts of Africa that were initially the most developed, not least developed, that supplied the largest number of slaves...*

He also uses instrumental variables to identify the causal effect of the slave trade on economic development. As instruments, he use distances from each country to the locations of the demand for slaves as instruments to estimate the causal effect of the slave trades on economic development. The instrumental variables estimates confirmed the OLS estimates, suggesting that increased extraction during the slave trades resulted in worse economic performance.

Professor Nunn analysis of the data is also consistent with historic accounts suggesting that the slave trades impeded the formation of broader ethnic groups, leading to ethnic fractionalization, and that the slave trades resulted in a weakening and underdevelopment of political structures. The countries from which the largest numbers of slaves were taken are also the areas that had the most underdeveloped political structures at the end of the 19th century, and they are also the areas that are the most ethnically fragmented today.

Professor Nunn also provided an estimate of how much more developed Africa would be if the slave trades had not taken place. The average per capita income level of the countries in Africa is $1,834, measured in 2000. This is significantly lower than the income for the rest of the world (which is $8,809), and it is even much lower than the income of other developing countries (which is $4,868). According to his calculations, if the slave trades had not occurred, then 72% of the average income gap between Africa and the rest of the world would not exist today, and 99% of the income gap between Africa and the rest of the underdeveloped world would not exist. In terms of economic development, Africa would not look any different from the other developing countries in the world.[19]

2.0.3 NEO-COLONIALISM

The term "neo-colonialism" has made a firm place for itself in historical jargon although it is often defined and interpreted in a host of different ways. While making no claim to a complete or exhaustive definition of such a complex phenomenon as neocolonialism in the international arena of the present period, a modest attempt at such a definition is necessary before proceeding with this analysis.

The Oxford dictionary defines neo-colonialism as the control of the economic and political systems of one state by a more powerful state, usually the control of a developing country (LEDC[20]) by a developed one (MEDC). Neo-colonialism is marked by the export of capital from the LEDCs on the periphery to the controlling MEDCs at the core, adverse terms of trade for the periphery or satellite nations, a reliance by the LEDCs on imported manufactures from the MEDCs, and a pervading process of Westernization. The means of control are usually economic, including trade agreements, investment, and the operations of transnational corporations, who are often seen as the primary instruments of

[19] *ibid*
[20] A country with low levels of economic development. Indicators of lack of development include high birth, death, and infant mortality rates (characteristically over 20; over 30; and over 50 per thousand, respectively); more than 50% of the workforce in agriculture; and with low levels of nutrition, secondary schooling, literacy, electricity consumption per head, and GDP per capita—generally below $US1000 per capita

neo-colonialism. It is also argued that the imposition of Western business methods on a developing country creates a new, alien, class structure which divides societies[21]. Other sources such as Wikipedia define Neo-colonialism as a term used by post-colonial critics of developed countries' involvement in the developing world. Writings within the theoretical framework of neocolonialism argue that existing or past international economic arrangements created by ex-colonial powers were/are used to uphold control of their former colonies and dependencies after independence movements of the post-World War II period. The term *neo-colonialism* can combine a critique of current *actual* colonialism and a critique of the involvement of modern capitalist businesses in nations which were former colonies.[22] A more modest definition can be as follows; neo-colonialism is the colonial policy of the era of the general crisis of capitalism and the transition to socialism implemented by the imperialist powers in relation to the former and existing colonies by means of more subtle methods and manoeuvres so as to propagate and consolidate capitalism and impede the advance of the national-liberation movement, extract the largest possible profits and strengthen the economic, political, ideological and military-strategic footholds of imperialism.[23] In short, neocolonialism may simply refer to the involvement of powerful countries in the affairs of less powerful countries.

To begin with the analysis on the effect of neo-colonialism, it is imperative to quote an article from the Africa Watch magazine on January 2011 in relation to the Ivorian political unrest. It reads

> *… 'The core of the problem in Cote d'Ivoire is a conspiracy by the French government to use any measures necessary to remove President Laurent Gbagbo from power because they think he is dangerous and inimical to their interest in Francophone Africa,' says Koffi Charles, Cote d'Ivoire's ambassador to the United States. In an exclusive interview with executive editor Steve Mallory, in Washington DC, Ambassador Koffi Charles, and Augustin Douoguih, legal advisor to the president, say Gbagbo will not allow the French*

[21] http://www.answers.com/topic/neocolonialism#ixzz1AQqDP9Q8
[22] http://www.answers.com/topic/neocolonialism#ixzz1AQsTC5rV
[23] Vasily Vakhrushev, *Neocolonialism: Methods and Manoeuvres*, Progress Publishers, Moscow, pp. 47

to control and run Cote d'Ivoire on their terms via Alassane Ouattara. They say Ivorians will resist any military intervention with their last drop of blood until the last man falls[24]

This statement makes the definition and analysis of neo-colonialism very simple and easy to grasp.

Neocolonialism comes into play with many different techniques. Some of these are 'explicit' while others are 'implicit'. One of the *most important methods typical of neocolonialism* is the introduction of *new forms for the export of industrial and finance capital* (the creation of mixed societies and companies, international and private funds, corporations and consortiums, the securing of assurance against risks in connection with capital investment, loans and credits on the one hand, and with profits on the other, the approximation of financial bodies to objects of oppression and exploitation, the concealed export of capital, etc.). Others include *"aid" and "development" programmes, trade practices* (various forms of non-equivalent exchange, dumping, protectionism, malpractices in the chartering of cargo vessels, etc.), attempts to relinquish no more than *the outward trappings of political independence to former colonies, the establishment of military bases and blocs, various types of intervention in the internal affairs of the developing countries, the fanning of armed conflicts and "local" wars* and attempts *to use international and regional organizations* in the interests of neo-colonialist policy[25].

On the economic front, a strong factor favouring Western monopolies and acting against the developing world is international capital's control of the world market, as well as of the prices of commodities bought and sold there. From 1951 to 1961, without taking oil into consideration, the general level of prices for primary products fell by 33.1%, while prices of manufactured goods rose 3.5% (within which, machinery and equipment prices rose 31.3%) in that same decade. This caused a loss to the Asian, African and Latin American countries, using 1951

[24] Africa Watch Magazine (2011), General Media Strategies, Inc
[25] Ibid, pp. 49

prices as a basis, of some $41,400 million. In the same period, while the volume of exports from these countries rose, their earnings in foreign exchange from such exports decreased. Even US politicians feel themselves obliged to call attention to this state of affairs: for instance Senator Charles Mathias, Jr., pointed out the following: '*Capital flows from Latin America and into the United States are now over four times as great as the flow south'*. The countries of Latin America, are actually giving foreign aid to the United States. Between 1957 and 1965 the inflow of foreign capital to Morocco totaled 235,500,000 dollars while the outflow (in the form of interest, dividends, etc.) exceeded 770 million dollars. The Peruvian economist Carlos Malpica has calculated that over the period 1950-68 American monopolies exported capital totaling 341 million dollars to Peru, while their profits for the same period reached 1,512 million. A similar picture is provided by the Philippines: according to figures put out by the Central Bank of the Philippines total foreign investment increased by 154,340,000 dollars between 1960 and July 1969, while profits from that investment exceeded 386 million dollars over the same period. Thus the imperialist monopolies are gleaning profits considerably in excess of the capital they export to the developing countries. Another means of exporting capital typical of neocolonialism is the creation of *international private funds, consortiums and corporations* designed to secure favourable "pre-investment conditions" for the imperialist monopolies in the developing countries. These funds as a rule grant small loans and export mainly portfolio capital. The Atlantic Community Development Group for Latin America (ADELA[26]) provides a good example.[27]

Another technique of neo-colonialism is the use of high rates of interest. Figures from the World Bank for 1962 showed that 71 Asian, African and Latin American countries owed foreign debts of some $27,000 million, on which they paid in interest and service charges some $5,000 million. While capital worth $30,000

[26] It was set up with the collaboration of 120 private companies and banks from Western Europe, the United States, Canada and Japan. Within its first year ADELA had granted loans to Brazil, Ecuador, Nicaragua and Chile totalling a mere 5,750,000 dollars while it sold over the same period over 20 million dollars' worth of shares

[27] Vasily Vakhrushev, Op. cit, pp. 54

million was exported to some 56 developing countries between 1956 and 1962, 'it is estimated that interest and profit alone extracted on this sum from the debtor countries amounted to more than £15,000 million'. This method of penetration by economic aid recently soared into prominence when a number of countries began rejecting it. Ceylon, Indonesia and Cambodia are among those who turned it down. Such 'aid' is estimated on the annual average to have amounted to $2,600 million between 1951 and 1955; $4,007 million between 1956 and 1959, and $6,000 million between 1960 and 1962. In all, a total of $11,800 million was extracted against $6,000 million put in. Thus, 'aid' turns out to be another means of exploitation, a modern method of capital export under a more decorative name. These methods have been used for over 25 years. Examples of such programmes are provided by the Marshall Plan, the Truman Doctrine, the Colombo Plan, US "aid" under the 1951 Mutual Security Act, the Alliance for Progress programme, and international consortiums for "aid" to India, Indonesia, Pakistan, and Malaysia etc. Vakhrushev writes '

> *... at the beginning of the 1960s the total aid provided by all imperialist countries came to 4,500,000 dollars a year, the bulk of which went on purchases of goods from the donor countries and close on 60 per cent of this aid consisted of purely military aid enabling the imperialist monopolies to sell off obsolete weaponry and old stocks of other goods that could no longer find buyers on the home market. This aid continues to have political, military and other strings attached, are granted primarily to "stable" governments and are designed to protect or foster capitalism and political regimes acceptable to the neocolonialists. The USA leads the way in the application of this particular neocolonialist method...*

Still another neo-colonialist trap on the economic front has come to be known as 'multilateral aid' through international organizations: the International Monetary Fund, the International Bank for Reconstruction and Development (known as the World Bank), the International Finance Corporation and the International Development Association are examples, all, significantly, having U.S. capital as their major backing. They argue that in order to qualify for these loans, and other forms of economic aid, weaker nations are forced to take certain steps favorable to the financial interests of the IMF and World Bank but detrimental to their own economies (also known as IMF conditionalities). These *structural adjustments* have the effect of increasing rather than alleviating poverty within the nation. This point is well echoed by the United Nations Secretary-General's Special Economic Adviser, Professor Jeffrey Sachs, who heatedly demanded that the entire African debt (approximately $200 billion) be forgiven outright and recommended that African nations simply stop paying if the World Bank and IMF do not reciprocate: He writes

> *The time has come to end this charade. The debts are unaffordable. If they won't cancel the debts I would suggest obstruction; you do it yourselves. Africa should say: 'thank you very much but we need this money to meet the needs of children who are dying right now so we will put the debt servicing payments into urgent social investment in health, education, drinking water, control of AIDS and other needs.' (Professor Jeffrey Sachs, Director of The Earth Institute at Columbia University and Special Economic Advisor to UN Secretary General Kofi Annan).*[28]

Other methods used by neo-colonialists to slip past our guard must now be examined. The first is retention by the departing colonialists of various kinds of privileges which infringe on our sovereignty: that of, setting up military bases or stationing troops in former colonies and the supplying of '*advisers*' of one sort or another. Sometimes a number of 'rights' are demanded: land concessions, prospecting rights for minerals and/or oil; the 'right' to collect customs, to carry out administration, to issue paper money; to be exempt from customs duties and/or taxes for expatriate enterprises; and, above all, the 'right' to provide 'aid'. Also demanded and granted are privileges in the cultural field; that Western information services be exclusive; and that those from socialist countries be excluded.[29]

Other neo-colonialist practices in foreign trade relations have adverse effect on the economy of the developing countries, particularly *dumping*. This practice not only serves to disorganize the internal markets of the developing countries but

---

[28] http://www.answers.com/topic/neocolonialism
[29] Kwame Nkrumah, *NeoColonialism, The Last Stage of Imperialism*, 1965, http://www.marxists.org/subject/africa/

also leads to sharp fluctuations in agricultural production causing the ruin of millions of peasant holdings. The most significant example of *disguised dumping* effected by the United States is its mass sale of agricultural "surpluses" on the markets of the developing countries (under US PL 480), a practice which has become one of the main levers of US foreign policy. The disastrous effect of these "surpluses" under the guise of aid on the markets of these countries stands out particularly clearly in the case of India. India began to import American grain (wheat, rice and maize) in 1951, when there had been a marked rise in grain and food prices on account of a bad harvest. Between 1951 and 1958 the annual import of American "surpluses" did not exceed 1,500,000 tons. However these imports were noticeably stepped up in 1959 and 1960 coming to 3,100,000 and then 4,200,000 tons. In May 1960 the United States and India signed an agreement allowing for deliveries of 16,000,000 tons of grain and 1,000,000 tons of rice in the course of the following four years. From, then on these grain deliveries have taken the form of an alternative to agrarian reforms, which in the opinion of many Indian economists are absolutely vital for the expansion of agricultural production. This policy has resulted in Indian grain production showing a marked decline, from 12,000,000 tons in 1961/62 to 9,700,000 tons in 1963/64. The smaller Indian grain harvests have led to a rise in grain prices, and this, in its turn, has made India still more dependent on American grain deliveries, which by 1964 exceeded 5,000,000 tons. Nevertheless these deliveries on an average did not make up more than 10 per cent of India's market stocks: they were used to supply the army and the urban poor in the country's industrial centers. Another point that should be noted in this connection is that because of the poor sector's low purchasing power the grain supplied by the United States was sold on the internal Indian market at prices considerably lower than the import price. This situation in its turn required the allocation of considerable subsidies out of the Indian budget.[30]

[30] Vasily Vakhrushev, *Neocolonialism: Methods and Manoeuvres*, Progress Publishers, Moscow, pp. 97

Other 'implicit' technique includes perhaps one of the most insidious methods of the neo-colonialists - evangelism. Following the liberation movement there has been a genuine riptide of religious divisions, the overwhelming majority of them American. Typical of these are Jehovah's Witnesses who recently created trouble in certain developing countries by busily teaching their citizens not to salute the new national flags. 'Religion' was too thin to smother the outcry that arose against this activity, and a temporary lull followed. But the number of evangelists continues to grow.[31] Others include ideological warfare, Western psychological warfare headed by United States 'invisible government' such as Moral Re-Armament QARA), the Peace Corps, Businessmen Corps and the United States Information Agency (USIA).

One variant of neocolonialism theory critiques the existence of *cultural colonialism*, the desire of wealthy nations to control other nations' values and perceptions through cultural means, such as media, language, education and religion, ultimately for economic reasons. One element of this is a critique of "Colonial Mentality". This point is well echoed in the following statements by Dr Kwame Nkrumah's *Last stage of Imperialism* article as follows

> *....... the USIA is staffed by some 12,000 persons to the tune of more than $130 million a year. It has more than seventy editorial staffs working on publications abroad. Of its network comprising 110 radio stations, 60 are outside the U.S. Programmes are broadcast for Africa by American stations in Morocco, Eritrea, Liberia, Crete, and Barcelona, Spain, as well as from off-shore stations on American ships. In Africa alone, the USIA transmits about thirty territorial and national radio programmes whose content glorifies the U.S. while attempting to discredit countries with an independent foreign policy. The USIA boasts more than 120 branches in about 100 countries, 50 of which are in Africa alone. It has 250 centers in foreign countries, each of which is usually associated with a library. It employs about 200 cinemas and 8,000 projectors which draw upon its nearly 300 film libraries...........In developing countries, the USIA actively tries to prevent expansion of national media of information so as itself to capture the market-place of ideas. It spends huge sums for publication and distribution of about sixty newspapers and magazines in Africa, Asia and Latin America. It*

[31] *Ibid*

organizes networks of monitors for radio broadcasts and telephone conversations, while recruiting informers from government offices. It also hires people to distribute U.S. propaganda. It collects secret information with special reference to defence and economy, as a means of eliminating its international military and economic competitors. It buys its way into local publications to influence their policies, of which Latin America furnishes numerous examples. It has been active in bribing public figures, for example in Kenya and Tunisia. Finally, it finances, directs and often supplies with arms all anti-neutralist forces in the developing countries; witness Tshombe in Congo (Leopoldville) and Pak Hung Ji in South Korea.[32]

These actions deal with cultural identity in colonized societies, referencing neo-colonialism as the background for contemporary dilemmas of developing a national identity after colonial rule.

2.0.4 TRADE BARRIERS

Generally, trade is defined as the act or process of buying, selling, or exchanging commodities, at either wholesale or retail, within a country or between countries: *domestic trade; foreign trade*. Trade exists for man due to specialization and division of labor, most people concentrate on a small aspect of production, trading for other products. Trade exists between regions because different regions have a comparative advantage in the production of some tradable commodity, or because different regions' size allows for the benefits of mass production.

Trade is very important in the aspect of a nations' development and also tend to affect the world as a whole. The Great Depression was a major economic recession that ran from 1929 to the late 1930s. During this period, there was a great drop in trade and other economic indicators. The lack of free trade was considered by many as a principal cause of the depression. Only during the World War II the recession ended in the United States. Also during the war, in 1944, 44 countries signed the Bretton Woods Agreement, intended to prevent national trade barriers, to avoid depressions. It set up rules and institutions to regulate the

---

[32] *Ibid*

international political economy: the International Monetary Fund and the World Bank. These organizations became operational in 1946 after enough countries ratified the agreement. In 1947, 23 countries agreed to the General Agreement on Tariffs and Trade to promote free trade. But free trade was successful between and among specific regions and countries of the world and failed incredibly between and among certain regions and countries.

Free trade advanced further in the late 20th century and early 2000s in areas such as European Union (lifted barriers to internal trade in goods and labour), North American Free Trade Agreement (NAFTA), GATT Marrakech Agreement specified formation of the WTO, World Trade Organization, EU which accomplished the Economic and Monetary Union (EMU) in 2002, through the introduction of the Euro , and creating this way a real single market between 13 member states, Central American Free Trade Agreement and others.

Free trade however has not been successful between the developing and the developed world. Trade sanctions against a specific country are sometimes imposed, in order to punish that country for some action. An embargo, a severe form of externally imposed isolation, is a blockade of all trade by one country on another. For example, the United States has had an embargo against Cuba for over 40 years[33]. Although there are usually few trade restrictions among countries, international trade is usually regulated by governmental quotas and restrictions, and often taxed by tariffs. Tariffs are usually on imports, but sometimes countries may impose export tariffs or subsidies. All of these are called trade barriers. If a government removes all trade barriers, a condition of free trade exists. A government that implements a protectionist policy establishes trade barriers.

Tariffs on imports may be applied in several ways. If they are imposed according to the physical quantity of an import (so much per ton, per yard, per item, etc.), they are called specific tariffs. If they are levied according to the value of the

[33] World Trade Organization

import, they are known as ad valorem tariffs. Tariffs may differentiate among the countries from which the imports are obtained. They may, for instance, be lower between countries that have previously entered into special arrangements, such as the trade preferences accorded to each other by members of the European Union. Tariffs may be imposed in different ways, each of which will have a different effect on the economy of the country imposing them. By raising the prices of imported goods, tariffs may encourage domestic production. As expenditures on domestic products rise, domestic employment tends to do likewise. This is why tariffs are favoured by industries that find themselves pressed by foreign competitors.

In the years following the Second World War, the developed countries reduced their tariffs in the framework of successive rounds of trade negotiations on an item-by-item basis. The negotiation was necessary because of the huge tariffs difference between the developed and the developing countries. The negotiations also involved a compromise between the principles of reciprocity and of nondiscrimination. With the developing countries offering few tariff concessions, the developed countries exchanged such concessions on products of interest to them.

By the early 1960s' tariffs on manufactured goods imported from the developing countries had declined to a considerable extent, although remaining higher than the developed countries' overall tariff average on manufactured goods. At the same time, these tariffs showed a tendency towards escalation from lower to higher levels of fabrication, thereby discriminating against processing activities in the developing countries. This greater frequency of relatively high tariffs on the developed countries' imports from the developing countries has lived on for years. For example, in the United States, tariffs of 10 per cent or higher apply to 20 per cent of imports from developing countries; comparable figures are 12 and 6 per cent for the EEC and 18 and 13 percent for Japan[34]. On the subject of tariffs and

[34] Bela Balassa, *Trade between Developed and Developing countries: The Decade Ahead*, OEDC, pp. 9

protectionism, Bela Balassa (Professor of Political Economy at John Hopkins University and Consultant to the World Bank) has this to say

> *.....furthermore, although the extent of tariff escalation has been reduced, processing activities in the developing countries continue to suffer discrimination as tariffs are generally nil on unprocessed goods but rise with the degree of fabrication on processed goods. Since the effective rate of tariff on the output exceeds the nominal rate whenever the latter is higher than the tariff on the inputs, relatively low output tariffs may give rise to high effective rates of protection on the processing activity. Much has been said in recent years about the proliferation of import restrictions that represent non-tariff barriers to trade in the developed countries. The long recession of the years 1980-82 has in fact led to the imposition of some protectionist measures in the United States and in the European Economic Community. Also, the ire of protectionists has been largely directed against other developed countries and, apart from some tightening of the Multifiber Arrangement, more measures have been taken against developing countries during the recession.*[35]

Much of the industrialization that took place in the late 20th century in some less-developed countries was characterized by the expansion of import-competing industries protected by high tariff walls. In many of those countries, tariffs and various quantitative restrictions on manufactured goods were high, but the effective rates of protection were often even higher, because the goods tended to be highly fabricated and the proportion of value added in production after importation was low. While countries such as Taiwan, Hong Kong, and South Korea oriented their manufacturing industries mainly toward export trade, they tended to be exceptional cases. More commonly, developing nations have mistakenly sought to compete with foreign-made goods for the domestic market. High protection in these countries has often contributed to a slowdown in production, while the export of primary commodities has discouraged expansion of exports of the more valuable manufactured goods. Although domestic production of nondurable consumer goods fosters rapid economic growth at an early stage, less-developed countries have encountered considerable difficulties in producing more-sophisticated, value-added commodities. They suffer all the

[35]*Ibid, p.*10

disadvantages of small domestic markets, in addition to a lack of incentives for technological improvement.

Again several studies have investigated the output and employment impact of shifts in the volume and composition of trade, especially the trade of developed with developing countries. The general finding of these inquiries is that the *net* employment effects of changes in exports and imports have not been significant in OECD countries. However, a second conclusion is that trade changes have produced significant adverse employment effects in particular industries, especially labor-intensive sectors such as textiles, clothing, timber, furniture and leather [36]. Based on these studies, developing countries could have taken opportunity of the labour-intensive sector to boost their economies and increase their industrial base. But this is yet to be realized. The system of trade has been carved in such a way that, even these opportunities are been discouraged by imposing higher tariffs on semi-finished and finished goods.

Another aspect of trade effects is dumping. A variation of the subsidy argument is the dumping argument; that manufacturers in developed countries are selling their products in the developing countries domestic market for less than cost, or for an "unfairly low" price, whatever that means. Yet, oddly enough, consumers never complain that prices are too low. It is the domestic manufacturers who complain, and ask for government assistance in preventing or reducing the competition that they face. The empirical evidence suggests that dumping either never exists or rarely exists, and only then for brief periods of time. But the mere fact that a domestic producer can bring an antidumping action has a chilling effect on price competition and results in higher prices than would be the case in the absence of protection. Dumping is an irrational policy because it results in losses rather than profits. That is why companies resort to it only rarely, usually in cases where selling their product at a loss are a better alternative than not selling it at all. This anti-protectionism approach ensures that domestic

[36] Robert E. Baldwin, *The effects of trade and foreign direct investment on employment and relative wages*, OECD Economic Studies. No.23, 1994, pp. 17

industries are not insulated from foreign competitions which eventually result in the loss of jobs in the developing countries. Not only are jobs lost, but infant industry collapse.

Trade between developed and less-developed countries has been the subject of great controversy. Critics cite exploitation of foreign labour and of the environment and the abandonment of native labour needs as multinational corporations from developed countries transport business to countries with cheaper labour pools and relatively little economic or political influence. Difficult problems frequently arise out of trade between developed and developing countries. Most less-developed countries have agrarian economy causing them to rely heavily upon the proceeds from export of one or two crops, such as coffee, cocoa, or sugar. Markets for such goods are highly competitive and that is, prices are extremely sensitive to every change in demand or in supply. On the contrary, the prices of manufactured goods, especially from the developed countries, are commonly much more stable. Hence, as the price of its export commodity fluctuates, the tropical country experiences large fluctuations in its "terms of trade," the ratio of export to import prices, often with painful effects on the domestic economy.

A widely publicized Oxfam advertisement in 1972 summarized the above points in this sentence

> *...coffee is grown in poor developing countries like Brazil, Colombia and Uganda. But that does not stop rich countries like Britain exploiting their economic weakness by paying as little for their raw coffee as we can get away with. On top of this, we keep charging more and more for the manufactured goods they need to buy from us. So? We get richer at their expense. Business is Business.*[37]

[37] Peter Bauer, *From Subsistence to Exchange and other Essays*, Princeton University Press, 2000, pp. 57

3.0 Conclusion

These unleveled playing grounds have caused proponents of western guilt to argue that the West has a hand in Third World underdevelopment. We have discussed the four main factors serving as an underlining argument of Western guilt. The next part will deal with arguments that the West have rather helped accelerate the development of Third World countries and that the blame cannot be lied on their door step.

These arguments are available in part two of my work.

REFERENCE

Africa Watch Magazine (2011), General Media Strategies, Inc

Balassa B, ***Trade between Developed and Developing countries: The Decade Ahead***, OEDC.

Baldwin R. E, (1994)., ***The effects of trade and foreign direct investment on employment and relative wages***, OECD Economic Studies. No. 23.

Bauer P (200), *From* ***Subsistence to Exchange and other Essays***, Princeton University Press.

Daudin G., (2004), ***Profitability of slave and long distance trading in context : the case of eighteenth century France***, Journal of Economic History, vol. 64.

Irby R. E. Jr., (1994), ***Chronology of Slavery***, http://www.webcitation.org/

Khapoya B. V., (1998), ***The African Experience***, Prentice Hall, Upper Saddle River, NJ.

Lovejoy P. E., (2009), ***The Impact of the Atlantic Slave Trade on Africa: A Review of the Literature***, The Journal of African History, Cambridge University Press

Mekenkamp M, Tongeren P. V and De Veen H. V**.**, ***Prevention and Peace building Activities***, eds.

Marx, K (1876), ***Chapter Thirty-One: Genesis of the Industrial Capitalist, Das Kapital***: Volume 1

Melber H., (2002), ***Liberation without Democracy? Flaws of Post-Colonial Systems in Southern Africa***, http://www.dse.de/zeitschr/de102-7.htm

M'bokolo E., ***The impact of the slave trade on Africa***, http://mondediplo.com/

Karenga M (2001), ***The Ethics of Reparations: Engaging the Holocaust of Enslavement****,* at The National Coalition of Blacks for Reparations in America (N'COBRA) Convention, Baton Rouge, LA.

Nkrumah K., (1962), ***Towards Colonial Freedom***, London: Heinemann

Nkrumah K. (1965), ***NeoColonialism, The Last Stage of Imperialism***.

Nunn N., (2008), ***The Long-Term Effects of Africa's Slave Trades,*** Quarterly Journal of Economics, Cambridge, MA: MIT Press

Rockman M., and Steele J., (2003), ***The Colonization of Unfamiliar Landscapes,*** Routledge.

Slim M R., "***The Ferghana Valley: In the Midst of a Host of Crises." In Searching for Peace in Central and South Asia: An Overview of Conflict***

Slow Death for Slavery (1993), Cambridge University Press.

Townsend P., (1970), ***The Concept of Poverty***, London: Heinemann, 1970.

Vakhrushev V., ***Neocolonialism: Methods and Manoeuvres***, Progress Publishers, Moscow.

Walter R., (1972), ***How Europe underdeveloped Africa***, London: Bogle L'Ouverture Publications, 1

http://www.beyondintractability.org/essay/post-colonial/

http://www.answers.com/topic/neocolonialism#ixzz1AQqDP9Q8

http://www.answers.com/topic/neocolonialism#ixzz1AQsTC5rV

http://www.answers.com/topic/neocolonialism

http://www.marxists.org/subject/africa/