

Full Length Research

Africa and Inequality in The International System at Post US Hegemony: A Modern World System Perspective

Imoh Imoh-Ita and Luke Amadi

Department of Political Science and Administrative Studies, University of Port Harcourt, Nigeria

Accepted 31 January 2016

This article re-engaged in the world systems debate at the decline of US hegemony .It demonstrated that the United States became the dominant economic and military power at the end of World War II, with global institutional framework through the General Agreement on Tariffs and Trade (later World Trade Organization), the World Bank, and the International Monetary Fund—It argued that this created a wave of systemic inequality as the world system connects the economic development of “First World” countries referred to as “ core” to the underdevelopment of the “Third World” countries referred to as the “periphery” structured for the core countries’ economic benefits and exploitation. Through appropriating the labor and raw materials of the periphery and using them as markets for finished products, the periphery societies became dependent on the core societies. The global economic recession of 2008 saw the decline of US hegemony and the rise of China and emergence of novel South –South Corporation and particularly the BRICS- Brazil, Russia, India, China and South Africa. These portend a novel look at the international system to interrogate the position of Africa. The paper followed Immanuel Wallenstein’s world system analysis and sets of seminal secondary data and interrogated the place of Africa in the international system at the decline of US hegemony. Findings suggested that the system remains increasingly asymmetrical as Africa’s position has not changed at the decline of US hegemony. Policy recommendations and conclusions were drawn.

Keywords: International System, Inequality, Hegemony, Development, Africa

Cite This Article As: Imoh-Ita I, Amadi L (2016). Africa and Inequality in the International System at Post US Hegemony: A Modern World System Perspective. *Inter. J. Polit. Sci. Develop.* 4(1): 31-43

INTRODUCTION

The international system is experiencing crisis since the global economic recession of 2008 and decline of the US hegemony. Divergent trends taking place in the international system suggest resurgent changes such as the rapid industrialization in the global South, the rise of

China, the Asian tiger countries, the South -South cooperation, the emergence of the BRICS and importantly how China passed USA in the export of technological products and in development spending and approximates Japan in research (Pieterse, 2012:6).

There have been several implications for these changes in understanding the political economy of the periphery societies. One central problem has been the persistent inequality which undermines the strategic relevance of the poor societies such as Africa in the international system.

According to neo-Marxists, hegemony is largely the outcome of collective understanding in which the actors willingly acquiesce as a result of their conviction of the superiority of another actor. The more hegemonic a group is, the higher the tendency for adversarial groups to organize themselves, it entails that hegemony needs willing compliance. Gramsci and Marx, explore this in the context of political liberty (Zinecker, 2011).

Since the end of World War II the global order has been in a flux. Although the US appeared to have assumed a hegemonic status in the international system. In 1947 the General Agreement on Trade and Tariffs (GATT) was signed, to be later replaced by the International Trade Organization (ITO) (Howlett and Ramesh, 1992). The prevailing global regime is the Breton Woods institutions including the World Trade Organization (WTO), the World Bank and the IMF centered international monetary order.

GATT was primarily aimed at promoting a liberal international economic order based on the principle of comparative advantage (Howlett and Ramesh, 1992). To check existing global systemic inequality, developing countries sought better representation in international economic institutions, improved trade relations and reforms to ensure a more stable and equitable financial and monetary system.

In the 1970s, the industrialized countries and their new protectionism fueled the anger of developing countries who launched a concerted campaign in the United Nations General Assembly for a 'New International Economic Order' (NIEO). The agenda of the NIEO covered trade, aid, investment, the international monetary and financial system, and institutional reform. The determination of developing countries to alter the rules of the game was further bolstered by the success of the Organization of Oil Producing and Exporting Countries (OPEC) in raising oil prices in 1973 (Howlett and Ramesh, 1992). The NIEO in our views failed due to poor trade complementarity by the Third World countries. The failure of the NIEO resulted to the adoption of strategic economic policies by China.

The 1980s witnessed a shift in US economic policy to check inflation by constricting economic activity. Subsequently, GATT was replaced by the World Trade Organization (WTO) following agreements in the last round of GATT talks, the Uruguay Round (1986-1994). WTO's functions since its establishment on 1 January 1995, include: 'administering WTO trade agreements; forum for trade negotiations; resolving trade disputes; monitoring national trade policies; training and technical

assistance for developing countries; cooperation with other international organizations (Howlett and Ramesh, 1992).

Thus, we live in an environment where the political and economic interaction in the international trade jostles for attention. The advent of free trade areas such as the North American Free Trade Area (NAFTA) and customs unions like the European Union (EU) at post US hegemony provides a good example of the political economy of international trade. Regional trade agreements like NAFTA and the EU frequently use economic tools to achieve political goals.

In 2000, African Union (AU) replaced OAU to forge common collective ties. In 2008 with the global economic recession and the rise of China, the BRICS-Brazil, Russia, India, China and South Africa emerged in 2010 as a new sub regional integration. Debates on the international system now takes a novel look at what all these could imply to poor regions such as Africa in the increasingly asymmetrical international system. For instance the BRICS not only has improved trade relations with Africa, they proposed a regional bank on July 2014, namely; "New Development Bank" by 2016, with each BRICS member to contribute \$2 billion to its capital. The aim is to check the US global fiscal hegemony and inequality orchestrated by the Breton Woods institutions.

This article makes a novel contribution which seeks to explore the position of Africa in the international system at the decline of US hegemony. It contends that an entire line of debates in the neo liberal tradition has displaced Africa from the center of their analyses of capitalist development and underdevelopment. The article analyzes this displacement in the context of inequality to demonstrate how Africa remains poor and non-strategic in the international system.

Beyond the prevalent asymmetry in the international system, the effects of neo colonialism and neo-imperialism, it raises concerns on the internal distortions that affect Africa's economic transformation such as crisis, poverty, terrorism, conflicts, wars, corruption and failed leadership which negatively affects Africa's volume of international trade and vitiates her position in the international system.

The rest of the article is structured as follows; the theoretical framework, literature review, dynamics of contemporary Africa's regional integration, AU and regional economic communities (RECs) in Africa, the International System at the decline of US hegemony, discussions, policy recommendations and conclusion.

THEORETICAL FRAMEWORK

Chase-Dunn (1992) avers that many theorists of development have begun to focus on the larger structures and institutional nature of the world-system,

itself. This shift in the unit of analysis from national societies and states to the global system as a whole has stimulated a host of new theoretical approaches on the explanation of the dynamics of this larger system.

One of the most influential theoretical approaches in the study of the unequal structure of the international system is the Modern World system theory postulated by Immanuel Wallenstein.

Wallenstein (1976) identified the existence of the State within a broader socio-economic framework termed "the world system" driven by the primacy of capitalist accumulation, international division of labour geo politics which divides the world along core, semi periphery and periphery countries, that this is a system of power and wealth.

Wallerstein (1976) contends that there is stratification in the system in accordance with a states' vital resources which results to North/ South divide. Charles Barone (2004) provided an influential pedagogical tool which examined economic disparities within the structure and how it constraints every action in the structure.

For the Marxists, inequality in the international system is a function of capitalism as stratification in the system is caused by capitalist mode of production which results to exploitation and inequality. Amin,(1997) identified capitalism beyond maximization of production and productivity rather that it chooses the volumes and conditions of production which maximizes the profit rate of the capital.

Capitalism dominates international institutions whose rules are structured by capitalist states to facilitate capitalist processes and Multinational Corporations (MNCs) whose headquarters are in capitalist states but whose loci of activity are in dependent states (Wallerstein,1976). Hirst and Thompson (1997) recount the inequalities of contemporary capitalism resulting to life expectancy, income, wealth, and the exclusion of the vast majority from the benefits derived from the present system. They explored this in the context of oligopoly beyond the outcome of the perfect market competition. Equally they created linkages between the dominance of finance and rise in income inequality. This framework is important to understand the dynamics of contemporary inequality in the international system at post US hegemony.

Conceptual Issues: The International System and Global Inequality

The international system remains largely a system of power, order and disorder. International monetary system, international trade regimes and the transnational corporations remain key policy drivers. It also has various facets of capitalist expansion, exploitation and crisis, being a system of interest and dichotomy

structured predominantly along North-South relationships encompassing development and underdevelopment, impact of financial flows etc which are dynamics of the prevailing system.

The international system arguably has always been a system of "lawlessness" characterized with inequality and hegemonic interests (Collier, 2006). William Zartman (1997) identified Africa as a subordinate state system in international relations. Amin (1997) contends that the marginalized countries inevitably are the "super exploited in brutal manner" and that the impoverished countries, are not countries located "at the margin" of the system.

Africa's internal contradictions have largely affected her external posture as her volume of trade remains minimal to influence policy changes in the international system. Thus, the logic of trade regime has been germane in the international system. Against neo colonialism and economic plunder, capitalist exploitation and imperialism have perpetuated Africa's economic vulnerability (Onimode, 1983; Young, 1994).

Lake (1999) declared that earlier dominating themes on international political economy were largely structured around three analytic perspectives to which the consensus was anchored in the international political system namely; Realism, Marxism, and Liberalism. Structure is reinforced as critical to the understanding of the international system. Scholars of international political system such as Kenneth Waltz, (1993:3) posit that the structure of the international political system is the main focus of attention in describing the nature of international relations. Structure determines action while actors are less important.

Such structural asymmetry in the international system is integral in novel theorizing on systemic inequality debate in the neo liberal order. To capture the most important work and current debates in the international political system, we now highlight the analytic tensions between inequality and the international system. Inequality in the international system between the developed and less developed countries provides an insightful arena for a modern world system discourse. The core of global inequality is Western capitalism and imperialism repeatedly inherent among organized groups, Western institutions, multinational cooperations and neo liberal institutions.

Marx, writing in 1845-6, provided one of the founding debates on inequality as he argued that inequality had its origins in the division of labour as well as private property. And with division of labour comes the question of distribution and indeed the *unequal* distribution both qualitative and quantitative (Marx, 1970:52).

Callinicos(2009) identified the broad conceptualization of global imperialism beyond an economic structure, and contends that imperialism has both economic and geopolitical triggers with both state and ideology as integral in its operation. Callinicos (2009) distinguished

the current stage of imperialism and argues that previous Marxists predominantly emphasized the issue of finance capital as the springboard of imperialism that this has largely accounted for distortions in understanding imperialism since 1945. Harvey (2003) explored “new imperialism” and its salient exploitative features which are averse to equality as the persistent systemic exploitation of the poor societies reinforces dynamics of the logic of new imperialism.

For too long, the G8 and G20 countries have been pursuing “economically exclusive and discriminatory” policies. Such “enclosure structure” of the international system breeds inequality. The global system remains largely a win-win and zero sum arena. Nancy Birdsall, (2005) reports the persistent global inequality among the rich and poor countries, stating that Europe, US and Japan are 100 times richer than Ethiopia, Haiti and Nepal, largely because the rich countries have rapid economic growth since 100 years ago but the poor countries have not attained similar economic growth. Acemoglu and Robinson (2012:39) explain that beyond the fact that inequality affects the lives of people in poor countries that it also causes “grievances and resentment”, with massive consequences in the United States and elsewhere.

Novel turn taken by inequality in the international system is reflective of the globalization scholarship and new international system as Giandomenico Picco, (2005:30) reinforces the reality of global inequality and argued for a new international system, stating that “globalization had brought with it anew world, the world of asymmetry which is a challenge to the simplistic “one superpower image”.

Picco (2005:31) further re-echoed that “asymmetry includes the centres of basic infrastructures which are not only connected rather vulnerable to mismanagement”. Including increased “complexity of risks management at the nation-states, institutions, corporations, and individual levels and involuntary mistakes of large consequences”. He posits that access to “information, real-time communication, and cyberspace allow small entities to affect global reality” (Picco, 2005:31).

Mukandala (2002) points out that the ongoing global regime is necessitated by the logic of the current needs and demands of international capitalism, ideologically presented as globalization. Pauly and Reich (1997) identify asymmetry within the world economy across multinationals and firms in the high income societies. They contend that as the international system is increasingly globalized, multinationals adopt national features, while ideological and institutional frameworks fundamentally shape the activities of corporations based in Germany, Japan, and the United States.

Both transnational corporations and strategic alliances reshape the structure of the international system. Dicken, (1998) observed that the motivations for strategic

alliances are often very specific and developed between competitors. This observation would apply to the ambivalent external posture of Africa through much of its modern history (Joseph, 1997).

Post developmental debates and modernization critique reassert failures of Western developmentalism (Sachs, 1992; Escobar, 2000; Pieterse, 2010). Pieterse, (2010:1) argued that the basic aim of Western developmentalism or modernization is in question as modernization is no longer an obvious ambition as there are evidence of declining standards of living in the periphery. Amadi (2012) posits that another widely acceptable debate on structural inequality in the international system is the dependency perspective. Dos Santos (1970) recounts that dependency is a strand of the global asymmetry and examined the dynamics of North-South relations highlighting core issues that result to the South's dependency on the North, to the later's systematic advantage.

Frank (1968) recounts the failure of capitalism to produce similar economic development in the South as it does in the North that what had ensued is underdevelopment encompassing conditions in which technological frameworks foster dependency on the North. There are debates on implicit challenges of US domination in the international system. Ian Morris (2010) identified *Why the West rules for now* and provides its implications for the future global economic development. Such economic domination and environmental sustainability implication is documented. Korten (1995) explored the contending debates between “the environment and corporate growth”. He identified salient effects of corporate growth including gaps between the poorest and richest citizens and condemns the special treat given to corporation when expanding abroad.

Aid has also been a substantial part of America's foreign policy and key instrument of global inequality as the poor societies of Africa are plunged into debt crisis unlike countries of South East Asia who rarely acquiesce to Western aid (Amadi, 2012).

Onimode (1989) recounts that the repeated decline in Africa's economic progress is engineered by the West to prevent the emergence of a genuinely independent Africa. He emphasized that a less subservient Africa is a viable option to change the rules of the international system. The radical school of interpretation sees sub Saharan Africa's (SSA's) peripheral global position as both a cause and effect of capitalist exploitation (Barone, 2004). They contend on delinking from the international system (Frank, 1962). De-globalization thesis had emerged to provide novel insights to confront globalization and inequality (Bello, 2005).

The inclusive development approach argues that Africa's inclusion in the international system with equal bargaining power would foster a sense of belonging and rapid economic transformation (Acemoglu and Robinson,

2012). More importantly are effective regional integration within the sub region such as AU, NEPAD and RECs in Africa. This has been a critical challenge to Africa's survival increasingly conceived as small unequal fragmented mosaic states (Clapham, 1996).

Against this backdrop is the fact that the global system is not a liberalized order in practical terms. Several core elements of the international system represent unequal development such as the consumption patterns of the high income countries (Hobson, 2003), trade restrictions, the making and implementation of key global decisions, especially in the areas of economic reform policies insulated from popular involvement, global insecurity, gender inequality.

Jeffery Sachs (2005) states that by 1998, the gap between the richest economy, the United States, and the poorest region, Africa, had widened to twenty to one. He advanced salient question: who controls the international system?. With respect to Africa a poor region, Sachs pointed out that "the poor countries refer euphemistically to the UN agencies, bilateral donors, and Bretton Woods institutions as their "development partners" (Sachs, 2005:285). He shows that in the best of circumstances, these agencies and counterpart governments really act as partners. Often, however, they can be as much nuisance as help". He further observed that the current system is "surprisingly dysfunctional" (Sachs, 2005:285).

Because the conventional underpinings of the international system is "first among equals", the poor societies are considered weak and vulnerable despite the claim for political liberalization. Africa became overwhelmingly a "strategic choice" adopted with great reluctance by "regimes in distress" and discarded after economic gains are made. Such was the strategic relevance of post colonial Africa to the imperial powers. Nigeria's oil was of strategic importance to the United States during the Gulf War as Angola and Congo DR etc are to France (Collier and Gunning, 1999).

Haynes, (1990) observed that the zeal and optimism of post -colonial Africa to create an impression that SSA was on the way, domestically towards sustained economic development goals and internationally towards diplomatic and regional progress seem not to have yielded the much anticipated economic progress. This draws closer attention to post Millennium Development Goals (MDGs) agenda namely Sustainable Development Goals (SDGs) and how best to significantly transform Africa.

Cognizance should be taken of the economic interest, normative and persuasive functions of the international system. Dos Santos, (1970) identified the unequal market relations which is monopolistic and increasingly in the interest of the industrialized North. These increasing asymmetry informed debates on restructuring the international system (Petras, 1997; Mukandala, 2002; Acemoglu et al, 2012), James Petras (2007) re-echoed

that "power shift" is inevitable to change the rules of the game.

Similar accounts on restructuring the existing international system have been germane among developmentalist debates. Pieterse (2010) recounts failures in several development decades especially in Africa and parts of Latin America and South Asia. Equally, the Brundtland Report (1987) shows that among the many causes of the African crisis, the workings of the international economy stand out. Acemoglu and Robinson's (2012) proposition is pertinent to expanding global reforms that underlie greater involvement of the poor societies in the international arena. This observation is relevant to the weak societies such as African because of their integration in a "catch up" manner which according to Mohamed Ayoob (1995) has alienated them from the core areas of global development dialogues and decisions. The perennial global challenges posed by inequality in the post US hegemony reappeared in mainstream media and international debates such as the 2015 issue of *Foreign Affairs* which explicates "why inequality matters".

Despite the clamour to restructure the global system, Africa has minimal if any viable impact to make, as its economic base are largely primary products (Amin, 1997). Much of the development failures are attributable to the political economy of African crisis (Onimode, 1983).

Similarly, within the geo strategic debate, the "new economic geography" is yet to provide novel viable alternative to Africa's regional integration (Collier and Gunning, 1999). Baldwin, (1997: 46) explores the need for Africa to reinvigorate an important aspect of her regional integration namely; economic geography.

On the contrary, militarily and economically, Africa is non-viable in the international system (Amin, 1997; Acemoglu and Robinson, 2012). This calls for critical re-thinking on Africa's vulnerability and position in the international system.

A review of the literature suggests that whatever the mix of strategies, the affluent countries of the global North were often able to narrow the options available to poor societies of Africa which bolstered dependency. This was both a geostrategic and economic hold out for the affluent societies.

Using income inequality indices, Ortiz and Cummins (2011) examined poverty gap between most poorest and richest countries in the world as shown in Table 1.

Trends in Africa's Regional Integration

Major trends in Africa's regional integration require brief genealogical mapping. In the 1960s two major blocs emerged in Africa namely; the Casablanca and Monrovia Blocs. Founded in 1961 and led by Kwame

Table 1. Poorest and Richest Population Quintiles in the World, 2007 (or latest available) in constant 2000 U.S. dollars

| Poorest | | | | Richest | | | |
|----------------------|----------|----------------|------------|----------------|----------|----------------|------------|
| Country | Quintile | GDP per capita | Population | Country | Quintile | GDP per capita | Population |
| Dem. Rep. of Congo | 1 | 26 | 12,504,557 | Luxembourg | 5 | 104,189 | 95,999 |
| Dem. Rep. of Congo | 2 | 43 | 12,504,557 | United States | 5 | 96,946 | 60,316,000 |
| Liberia | 1 | 47 | 725,457 | Singapore | 5 | 76,189 | 917,720 |
| Haiti | 1 | 49 | 1,944,017 | Switzerland | 5 | 73,404 | 1,510,223 |
| Burundi | 1 | 49 | 1,567,596 | Norway | 5 | 70,184 | 941,831 |
| Niger | 1 | 50 | 2,827,937 | Luxembourg | 4 | 63,986 | 95,999 |
| Guinea-Bissau | 1 | 51 | 308,208 | Ireland | 5 | 63,507 | 871,386 |
| Malawi | 1 | 52 | 2,887,899 | United Kingdom | 5 | 58,408 | 12,196,061 |
| Central African Rep. | 1 | 60 | 851,481 | Denmark | 5 | 56,421 | 1,092,288 |
| Dem. Rep. of Congo | 3 | 65 | 12,504,557 | Sweden | 5 | 55,543 | 1,829,618 |

Source: Ortiz and Cummins'(2011)calculations using World Bank (2011), UNU-WIDER (2008) and Eurostat (2011)

Nkrumah the Casablanca Bloc opted for a federation of all African countries. It included Ghana, Algeria, Guinea, Morocco, Egypt, Mali and Libya. The Monrovia bloc, led by Senghor of Senegal, advocated for unity of Africa through economic cooperation. It was less inclined to political federation. Members included Nigeria, Liberia, Ethiopia and most of the former French colonies. Following ideological dissonance between the two groups, Emperor Haile Selassie of Ethiopia invited the two groups to Addis Ababa, where OAU was subsequently formed on 25 May 1963. The Charter of the Organisation was signed by 32 independent African states. Morocco left on 12 November 1984 following the admission of the Sahrawi Arab Democratic Republic as the government of Western Sahara in 1982.

In June 1991, the OAU Heads of State and Government signed the Abuja Treaty establishing the African Economic Community (AEC). The 9th of September 1999 was the establishment of African Union (AU) Charter in line with the fundamental objectives of the OAU Charter and the provisions of the Abuja AEC Treaty, which gave rise to the Constitutive Act of the AU, in Lome, Togo on July 11, 2000(UNECA,2012). AU in 2000 became the successor organization to OAU.

Morocco is the only non- member of AU.

In July 2001 there was the Lusaka Summit which held in Zambia, African leaders consigned to the New Partnership for Africa's Development (NEPAD). This was ratified by AU in 2002. The primary aim of NEPAD is to address Africa's perennial development problems (UNECA, 2012). The founding members of NEPAD are South Africa, Nigeria, Algeria, Egypt and Senegal.

There has been a long history of collaboration between the AU, the Economic Commission for Africa (ECA) and the African Development Bank (AfDB). There are equally regional economic communities (RECs) in Africa which include ; Economic Community of West Africa States (ECOWAS), Common Market for Eastern and Southern Africa (COMESA), The Community of Sahel-Saharan States(CEN-SAD),The East African Community (EAC), Economic Community of Central African States (ECCAS), The Southern African Development Community (SADC), UMA - Arab Maghreb Union. This was cemented with the OAU 1989 resolution for the establishment of the Joint Secretariat of the African Economic Community consisting of OAU, ECA and AfDB (UNECA, 2012).

Regional Economic Communities (RECs) in Africa have also been important regional trade and economic propeller and was at the early days championed by the

Economic Commission for Africa (ECA) which proposed the division of Africa into regions for the purposes of economic development in the mid-1960s. There are eight RECs have been building blocks propelling economic development at sub regional levels.

The International System at the Decline of US Hegemony

The decline of US hegemony has provided divergent insights to the understanding of the international system. The tide has turned in the twenty-first century. Pieterse (2012:2) captured this essence at the turn of the millennium following changes in the structure of Western capitalism including series of crisis in the US; the dotcom collapse, the 9/ 11 attacks, the Enron and Anderson series of corporate scandals, Hurricane Katrina, the subprime mortgage crisis and the financial crisis of 2008.

Debates on post US hegemony have been explored from divergent perspectives. It is possible to accept, according to Waltz (1996) that within the international political system "as some States sank, others rose to take their places". This prognosis is consistent with the present circumstance which reveals the sudden rise of China as the US hegemony declines. Helen Milner(1998)recounts that scholars from the realist tradition including Robert Gilpin, Stephen Krasner, and others have argued that power distribution among states is important in exploring levels of openness and stability in the system. Conversely, hegemony decline seem connected to economic closure, instability and regional competition among various blocs(Lake,1999).

In his essay; *State Power and the Structure of international Trade*, Stephen D. Krasner addresses the linkages between the interests, power of major states and the trade openness of the international economy. In this international political analysis, he identified four principal goals of state action: economic growth, political power, aggregate national income, and social stability (Krasner, 2000).

Krasner maintains, most significantly, that the hegemony of a leading power is necessary for the creation and continuance of free trade. He applies his model to six periods. Krasner's analysis is a well-known attempt to use international political theory, and realism more generally, to explain international economic affairs. The theory he propounds, which has been dubbed the "theory of hegemonic stability," has influenced many subsequent analyses (Krasner,2000;Frieden and Lake, 2000).

Frieden and Lake, (2000) identified contrary stance to hegemonic stability theory suggested by liberal scholars such as Robert Keohane, Robert Axelrod and Charles Lipson suggestive of the possibility of cooperation in the absence of a hegemon. They contend that Gilpin

attributed similar reasoning to the hegemon when he argued that the United States has assumed leadership responsibilities (in the post-war period) (Frieden and Lake, 2000).

In the American context, Carla Norrlof (2010) and proponents of American hegemony observed the notion by some people that the United States' hegemonic burdens outweigh any benefits, she suggests otherwise: "Washington actually reaps more than it pays out in the provision of public goods". Drawing on "hegemonic stability theory," Norrlof (2010) argued that there is still economic advantage the United States has in the international system with its dominant position.

Keohane (2012) underscores the challenges of playing dominant role in global politics. He contends that it is not easy to play a dominant role That dominant centres are often entangled with problems they cannot solve or situations they wish they could deter. That the central threat to America foreign policy is fear of declinism.

Keohane, (2012) further buttressed the views of Josef Joffe who recounted that in recent times America has been undergoing declinism. Keohane (2012) contends that the present decline in US economy is juxtaposed with the rise of China'. however that "counter optimism" abound.

Two schools in the hegemony debate namely; the hegemony decline thesis (Keohane, 2012; Joffe,2010) and the anti- decline thesis (Norrlof,2010;Kagan, 2010; Lieber, 2010), have enriched the ongoing discourse. Norrlof's *America's Global Advantage: US Hegemony and International Cooperation*, Kagan's *The World America Made* and Robert Lieber's *Power and Willpower in the American Future*, have all made some cogent points in the collective claims of the literatures on the "past, present, and future of the existing U.S.-sponsored global order". For instance, Norrlof disagrees on the debates on decline of US hegemony and posits that that there is "positional advantage" of the US over all other states such as largest domestic economy, key world currency and the strongest military(Norrlof,2010).

Kagan (2010) recounts the essential role played by the United States in the international system since the past 60 years in reducing "large-scale warfare" and wonder what the world would have been without American leadership stating that it would have been unattractive as the US hegemony brokered peace, political liberation and maintenance of world order.

Despite the conceptual explorations from both schools, the hegemony decline thesis suggests that the position of the US has vitiated. The rise of China in the global South has opened novel regional integration following the emergence of the BRICS which alone account for about 18 percent of global domestic product and 30 percent of global economic growth since 2001 (Dvorkovich, 2012; Pieterse, 2012).

Relevant data suggestive of the rise of China provide

seminal insights on her economic strides in Africa and the global economy. Trade volume with China has grown within a progressive six decade period. In 1950, bilateral trade stood at \$12.14 million. It reached \$100 million in 1960 and surpassed \$1 billion in 1980. In 2000, it exceeded \$10 billion. After keeping with an annual growth rate of more than 30 percent for eight consecutive years, the volume increased to \$106.8 billion in 2008. China has been Africa's largest trade partner since 2009, with the volume reaching \$166.3 billion in 2011 and nearly \$200 billion in 2012 (China Daily, 2013).

Equally, China had embarked on some major projects in Africa financed by China-Africa Development Fund as could be seen from the table 2.

The table 2 shows major projects in Africa financed by China-Africa Development Fund.

Table 3 shows the increased volume of trade between China and the Horn of Africa between 2006 to 2010. China has become one of the countries that has significant national interests in every part of the world and commands global attention (Nathan and Scobell, 2012; Amadi, 2012). In particular, China is the only country seen as a possible threat to U.S. predominance and one day supplants the United States as a global hegemon (Nathan and Scobell, 2012; Amadi, 2012).

Presently, the BRICS are Africa's largest trading partners and investors with Foreign Direct Investment (FDI) more prominent compared with U.S. and Europe (Ncube, 2014). There has been increase in trade volume from US \$10 billion in 2000 to US \$190 billion in 2012. Also the partnership between India and Africa, has been massive with the development of small- and medium-scale enterprises (SMEs). Brazil and Russia have been engaged in the mining and energy industry in Africa through public-private partnerships (PPPs) (Ncube, 2014:1).

However, the China/Africa relationship ought to be subjected to further research in terms of long term economic transformation of Africa and more importantly the global South. While trade is increasing between China and Africa what is its nature?. What is the position with regard to trade protection, growing/decreasing deficits and the asymmetries?. What has remained largely unknown is how this has positively impacted the position of Africa. Critical perspectives argue on possible wave of resurgent "new dependency" in the global South following the rise of China (Amadi, 2012).

The Figure 1 data shows that between 2009 and 2014, the highest growth rate was registered by LDCs (13.5%), followed by developing Asia (9.5%) and developing America (8.1%). In LDCs, as in a majority of regions, travel and transport accounted for a large part of services exports (62% in LDCs, 56% in developing regions, and about 39% in the developed world).

Similarly, in a 2013 global ranking of richest and poorest countries in the world from the IMF's World

Table 2. Major Projects in Africa Financed by China-Africa Development Fund

| Country | Project | Profile |
|--------------|--|---|
| Ghana | power plant | Construction and operation; Phase-I capacity 200,000 kilowatts |
| Egypt | Suez Trade and Economic Cooperation Zone | 19 businesses already operating in the zone |
| South Africa | Cement Plant | Construction in cooperation with a South African firm; annual capacity; 1 million tons of cement |
| South Africa | Heavy-duty Truck Assembly plant | investment and operation in cooperation with a south African firm; annual capacity 2,000 commercial heavy-duty trucks |
| Tanzania | Sisal Plantation | Sisal plantations operation and sisal yarn plant construction |
| Ethiopia | Cement Plant | investment in construction; annual capacity: 500,000 tons of cement |

Source: China-Africa Trade and Economic Relationship Annual Report 2010

Economic Outlook Database, using GDP based on purchasing power parity (PPP) per capita compares differences in living standards on the whole between nations, shows that Africa remains the poorest region. The indicator measures GDP converted to a common set of prices in a common currency (international dollars, also called Geary-Khamis dollars) for comparisons to be made between countries over time.

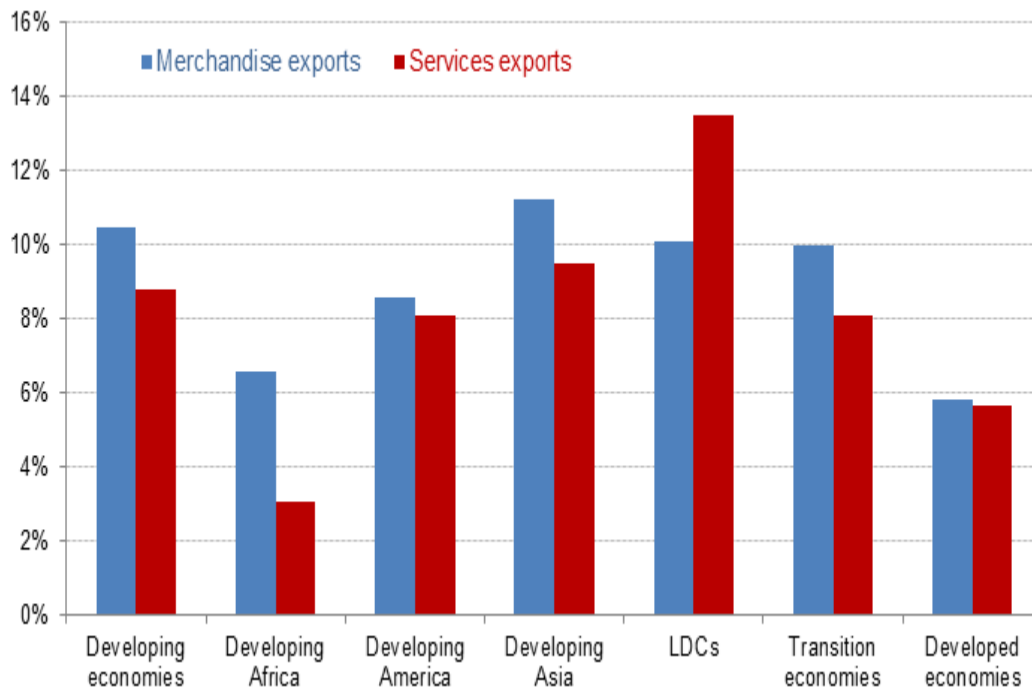
DISCUSSION

Despite the decline in US hegemony this study shows that there has not been a corresponding improvement in the position of Africa in the international system. The 2013 IMF global poverty data (as discussed) shows that Africa remains the poorest region of the world. Similarly, the recent UNCTAD trade data shows poor volume of percentage of Africa's global trade. Recent World Bank data shows global inequality and points that Africa

Table 3. China's trade with the Horn in millions of dollars for 2006, 2008 and 2010

| | Imports from China | | | Exports to China | | |
|----------|--------------------|-------|-------|------------------|-------|-------|
| | 2006 | 2008 | 2010 | 2006 | 2008 | 2010 |
| Ethiopia | 635 | 1,154 | 1,330 | 132 81 | 274 | |
| Eritrea | 1 | | | | | |
| Somalia | 2 | | | | | |
| Djibouti | 1 | | | | | |
| Kenya | 684 | 1,339 | 1,965 | 24 | 35 | 39 |
| Sudan | 1,679 | 2,036 | 2,151 | 1,941 | 6,302 | 6,654 |

Source: International Monetary Fund, *Direction of Trade Statistics Yearbook 2011* cited in Shinn (2011)



Sources: UNCTAD and WTO

Figure 1: 2009 - 2014 annual average growth rates of merchandise and services exports (In percentage)

remains the poorest region in the world (World Bank, 2015). The nature of the international system points to the prevailing asymmetry. It recognizes the rise of China and emergence of the BRICS at the sub global level and the volume of trade with Africa and in particular how China's volume of trade with Africa had surpassed that of US, pointing to the decline of the US hegemony. It then looks at Africa and particularly the trends in the regional economic integration including AU, NEPAD, the RECs

and their failure to move the continent to the next level. It identified limitations inherent in Africa's economic integration from two key fronts; first is the enclosure system and discriminatory trade policies of the industrialized societies which results to inequality in the international system.

Next is internal limitations such as lack of effective homegrown development strategies, internal crisis(conflicts, terrorism, wars), debt burden, lack of

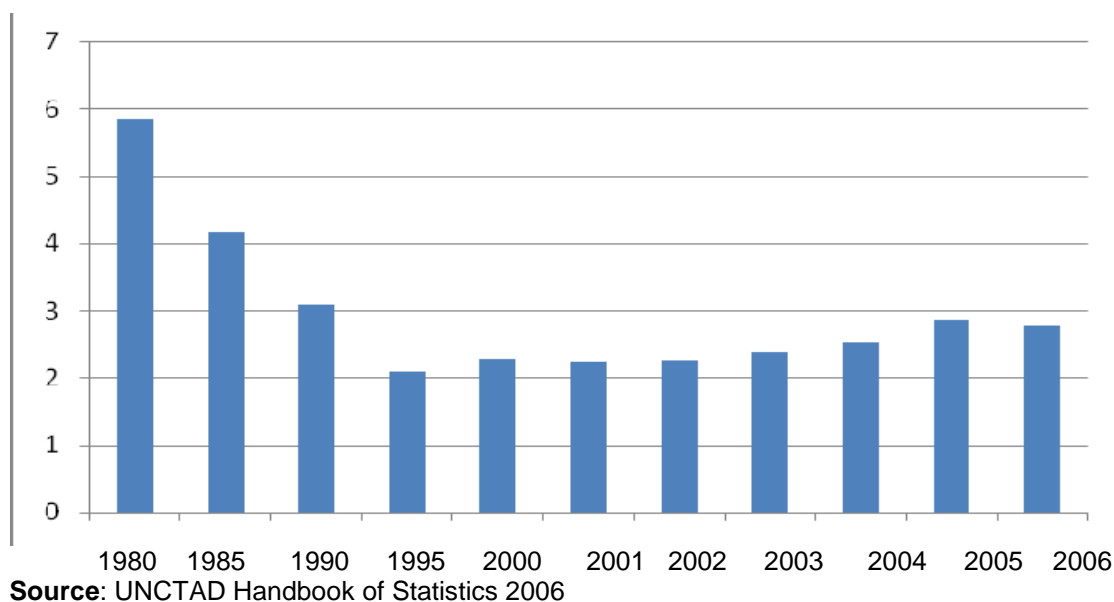


Figure 2. Africa's Exports as Share of World's Exports (%)

boost in agricultural production, poor economic diversification, non-export led development model, etc. This affects Africa's relatively low volume of trade in the international system and vitiates Africa's relevance in the international system. While these are identified as problems, a number of studies have not shown how these could be alleviated for a long term economic development of Africa which has been both empirical and theoretical limitation of this study.

The RECs considered the building blocks of the African Economic Community have failed to propel economic development at sub regional levels. For instance the success of all the RECs in achieving their objectives has been less satisfactory (Johnson, 1995). Similarly AU has not recorded economic transformation of Africa. Beyond this, its founding ideals have not been pursued with commitment neither has it been self-reliant to pursue home grown development ideology. These arrangements have made Africa to continue to have an insignificant voice in the international system.

Harmonization problems including tariffs, customs procedures and tax policies as well as incentive package for investment including issues of transparent macroeconomic policy pervades. These could facilitate effective regional integration, check dependency on Western imported goods by boosting home grown production and technology, strengthen economic ties among members.

Inter-regional leadership and peer review mechanism have been weak along West, East, South, Central and North Africa. As the rules of the international political economy is fast changing, the trajectory this essay cannot rightly make is whether the rise of the BRICS

could radically alter the rules of the old order and prevailing asymmetrical international system and usher in a more inclusive and equitable order, such prognosis are left for future researchers.

Furthermore, South Africa's inclusion among the BRICS has not nominally or substantially effected any economic change either in Africa or within the international system. For instance between 2011, when South Africa became a member of the BRICS and 2015 when there was persistent xenophobic attacks and corruption in South Africa, there has been a downward spiral of South African economy and much of Africa in general such as Nigeria under President Goodluck Jonathan. Again, South Africa remains the smallest member country of the BRICS economically and demographically.

This calls for further elucidation of novel strategies on Africa and inequality in the international system. While trade is increasing between China and Africa what is its nature?. What is the position of Africa with regards to trade protection, growing/decreasing deficits and the asymmetries? A discussion of the nature of trade between China and Africa has shown that much has not changed (Amadi, 2012).

CONCLUSION AND POLICY RECOMMENDATIONS

As explicated, Africa remains the poorest region in the world. Despite the China trade relations, trade protection and similar restrictions have not been removed. There are growing deficits and global asymmetry. Emphasis has been laid on novel orientation of regional integration from

trade to macroeconomic coordination, Robinson,(1996) argued on the need to focus on cooperation in infrastructural and natural resource development. This has been a central problem among the resource rich but poor African countries.

African countries should make more efforts to restructure their economies with competitive products, improve the quality and volume of international trade and open up to world trade on equal terms of trade, align complementarily with the emergent global power structure .This needs to be radically improved through export promotion, zero tolerance for corruption, indigenous resourcefulness, accountable governance, effective peer review mechanism, strategic leadership, a boost in agricultural production and economic diversification. Figure 2 shows that Africa's exports as share of world's exports has been poor.

The implications of economic liberalization cannot be fully comprehended without emphasis on the adjustment effects for specific countries or groups. Issues related to globalization are now critical in African's development question. Africa should increase their level of commitment to regional integration, capital mobility, understand and adapt to changes and trends in global market through internal market reforms.

More than ever, the BRICS could assume a novel regional role to restructure the periphery through improved trade, technology transfer and similar economic ties. The proposed development bank is one of such strategies. Similar steps include improving their position at the WTO global meetings such as in Cancu'n in November 2003 under the motto 'no deal is better than a bad deal', "where the global South walked out with Brazil, South Africa, India and China, along with the G22 and, in turn, the G77, in which the Western divide and rule did not work as it also failed during the repeated attempts to revive the Doha round and the appeals of Western negotiators (Pieterse, 2012). This signalled the novel relevance of the global South which were not part of the global power structure, not part of the G8 or of the UN Security Council (except China) made their global influence felt (Pieterse, 2012).

Combating Africa's internal problems such as corruption, failed leadership, local conflicts, through building the capacity for governance is crucial. That capitalism does not produce economic development in the South along the same lines experienced in the North appears to be a controversial and seemingly unacceptable statement in the contemporary world. The rise of China and other South-East Asian countries in the face of the imperialistic international system calls for radical overhaul and rethinking of Africa's orientation to economic development. It is apparent that the pattern of economic development is not uniform throughout time. It alters with time and situation. Today, the developing countries especially South East Asian countries, seem

not very subservient to the developed countries despite neo imperial influences unlike African countries, this to a large extent fosters the latter's dependency and constricts economic self-reliance with economic deprivation and poverty.

REFERENCES

- Acemoglu D, Robinson J (2012) .Why nations fail: the origins of power, prosperity, and poverty Crown Publishers, New York.
- Amadi, L (2012).Africa: Beyond the "New" Dependency . A Political Economy. African Journal of Political Science and International Relations Vol. 6(8)191-203.
- Barone, C (2004). Radical Political Economy: A Concise Introduction M.E Sharpe Inc pp1-335
- Bello W(2005). *Deglobalization: Ideas for a New World Economy*, London:Zed books.
- Birdsall N (2005). Rising Inequality in the New Global Economy World Institute for Development Economics Research Annual Lecture No2.
- Callinicos A (2009) .Imperialism and Global Political Economy. Polity Press.
- Clapham C (1996). Africa and the International System. The Politics of State Survival. Cambridge Press.
- Chase – Dunn C (1992) ."Theoretical Approaches to the World System Analysis" in: Polychromous C, (ed,) Perspectives and Issues in International Political Economy. Praeger Publishers Westport, CT.
- China Daily.Com "Facts about China-Africa economic, trade co-op"2013 Available at www.chinadaily.com.cn/business/overseascnep/.../content_16343007.ht... 10/10/2013
- Collier P(2006). Africa's Economic Growth: Opportunities and Constraints A paper prepared for the African Development Bank. pp1-19
- Paul Collier P, Gunning J(1999).Why Has Africa Grown Slowly? *The Journal of Economic Perspectives*, Vol. 13, No. 3. , pp. 3-22.
- Dicken P (1998). Global Shift: Transforming the Global Economy. London: Paul Chapman Publishing
- Dos Santos T (1970).The Structure of Dependence The American Economic Review, Vol.60,No.2PP21-236
- Dvorkovich A (2012). 'Northern exposure', Financial Times Guide to Davos, 24 January, p. 10.
- Economic Commission for Africa." Macroeconomic Policy Convergence, Financial and Monetary Integration" Available at <http://www.uneca.org/oria/pages/macroeconomic-policy-convergence-financial-and-monetary-integration>.Accessed 10/04/2014
- Escobar, A(2000). "Beyond the search for a paradigm? Post-development and beyond". *Development*. Vol.43, No. 4, pp.11-14. The Society for International Development. London: SAGE Publications.

- Frank A (1962). 'The Development of Underdevelopment'. Instituto Nacional Indigenista, Los centroscoordinadoreindigenistas : Mexico. p. 34
- Frieden J , Lake D .(2000).International Political Economy: Perspectives on Global Power and Wealth. Routledge. London
- Gilpin, R.(1987).The Political Economy of International Relations. Princeton University Press.
- Haynes J(1990) .Africa in the International System: Problems and Prospects. Africa: Journal of the International African Institute Vol. 60, No. 3 , pp. 435-438.
- Harvey D (2003).The new Imperialism .Oxford :Oxford University Press
- Hirst P, Grahame T(1999). *Globalization in Question: The International Economy and the Possibilities of Governance* 2nd edition, Cambridge: Polity Press, 310 pp
- Hobson K (2003). Consumption, Environmental Sustainability and Human Geography in Australian: a Missing Research Agenda? Australian Geographical Studies 41(2)148-155
- Howlett M, Ramesh M (1992).The Political Economy of Canada :An Introduction, McClelland & Stewart Inc. The Canadian Publishers 481 University Avenue Toronto Ontario M5G 2E9.
- Joseph R (1997).Democratization in Africa after 1989:Comparative and Theoretical Perspective. Comparative Polictis vol.29 No.3 pp363-382
- Kagan, R (2012).The World America Made New York: Alfred A. Knopf.
- Keohane R (2012). Hegemony and After: Knowns and Unknowns in the Debate Over Decline *Foreign Affairs* Volume 91, Issue 4, Jul/Aug.
- Korten D (1995).When Corporations Rule the World Kumarian Press Inc./Berrett-Koehler.
- Krasner S (2000).“State Power and the Structure of International Trade” In: Frieden. J & Lake, D. International Political Economy: Perspectives on Global Power and Wealth. Routledge. London.
- Lake, D(1999). Entangling relations: American foreign policy in its century. Princeton University Press
- Lieber R (2012) Power and Willpower in the American Future: Why the United States Is Not Destined to Decline. New York: Cambridge University Press.
- Marx K(1970).The German Ideology London:Lawrence and Wishart
- Mearsheimer J (2001) .The Tragedy of Great Power Politics, New York: W.W.Norton.
- Milner H (1998) .International Political Economy: Beyond Hegemonic Stability, Foreign Policy, No. 110, Spring
- Morris I (2010).Why the West Rules—For Now. Farrar, Straus and Giroux.
- Mukandala ,R (2002).The State of African Democracy: Status, Prospects, Chllenges”Occasional Paper.Centre of African Studies University of Copenhagen.
- Nathan A J, Scobell A (2012).How China Sees America. The Sum of Beijing’s Fears. *Foreign Affairs*
- NcubeMthuli "Africa and the BRICS: a win-win partnership"? Available at <http://www.howwemadeitinafrica.com/africa-and-the-brics-a-win-win-partnership/28205/>Accesssed 10/03/2014
- Pieterse J N (2012). Twenty-First Century Globalization: A New Development Era, Forum for Development Studies, Routledge Taylor and Francis.
- Pieterse, J N (2010). Development theory: Deconstructions / reconstructions. London: Sage Publications Ltd. 2nd Edition.
- Norrlof C (2010). America's Global Advantage: US Hegemony and International Cooperation Publisher Cambridge University Press
- Nye J(2002). “The Rise and Fall of Great Powers,” In: GeirLundestad and Olav Njølstad, eds., *War and Peace in the 20th Century and Beyond: Proceedings of the Nobel Centennial Symposium* .London: World Scientific.
- Onimode B (1983).The Political Economy of the African Crisis. Institute For African Alternatives London:Zed Books
- Onimode, B. (ed.), (1989). The IMF, The World Bank and African Debt, vol. 1 : The Economic Impact and vol. 2: The Social and Political Impact Zed Books: London.
- Ortiz I, Cummins, M (2011).“Global Inequality: Beyond the Bottom Billion” A Rapid Review of Income Distribution in 141 Countries UNICEF Social and Economic Policy Working PAPER
- Pauly L and Reich S (1997). National structures and multinational corporate behavior: enduring differences in the age of globalization International Organization 51 (01), 1-30
- Petras J (2007). Who Rules America?Third World Traveller www.dissidentvoice.org, January 13.
- Picco G (2005). A New International System? The Whitehead Journal of Diplomacy and International Relations.
- Robinson, P. (1996). ‘Potential Gains from Infrastructural and Natural Resource Investment Coordination in Africa’, In: J. J. Teunissen (ed). Regionalism and the Global Economy: The Case of Africa. The Hague: FONDAD.
- Roach S (2009).The Next ASIA: Opportunities and Challenges for a New Globalization, Hoboken, NJ: John Wiley.
- Sachs J (2005). The End of Poverty: Economic Possibilities for Our Time The Penguin Press, New York.
- Sachs W (1992). The development dictionary: A guide to knowledge as power. London: Zed Books.
- Stein A (2008). Cordination and Collaboration: Regimes in an Anarchic World, in: Maswood .J (ed;) International Political Economy and Globalization Griffith University, Australia, World Scientific Publishing Co. Ltd.
- UN (1987).“ Our Common Future”,Brundtland Commission Report,Oxford.

UNECA, (2012). A Decade of NEPAD Deepening African Private Sector and Civil Society Ownership and Partnership. Available at www.UNECA.org/NEPAD

Wallerstein I (1976) .World System Analysis: the second Phase'.Review,XIII,No.2, Spring.

Waltz K. (1993).The Emerging Structure of International Politics*International Security*, Vol. 18, No. 2. , pp. 44-79.

World Bank (2015).Poverty Overview. Retrieved from :[http:// www.worldbank .org/en/ topic/poverty/overview](http://www.worldbank.org/en/topic/poverty/overview)

Young C (1994). The African Colonial State in Comparative Perspective. New Haven and London: Yale University Press, Pp. xii, 356

Zartman W (1997). Africa as a Subordinate State System in International Relations. *International Organizations* vol.21No39.

Zinecker H (2011). Civil Society in Developing Countries – Conceptual Considerations. *Journal of Conflictology*, Vol 2, No 1.