

US Imperialism and America's "New Cold War" against Africa

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A conference sponsored by the United States State Department began on Aug. 24 in Libreville, Gabon to further promote trade between Wall Street and Africa.

Gabon, a former French colony, is an oil producer which has maintained friendly relations with both Paris and Washington. French troops are still stationed in Gabon and have been activated under conditions of mass demonstrations and instability in recent years.

This event is designed to promote the African Growth and Opportunities Act (AGOA), a program in place since 2000 designed ostensibly to facilitate trade between Africa and U.S.based firms. The U.S. says that AGOA represents the cornerstone of its economic policy in Africa and the Congressional authorization for the continuation of this program was recently granted.

In a press release issued by the State Department it said "The theme of this year's Forum is 'AGOA at 15: Charting a Course for a Sustainable U.S.-Africa Trade and Investment Partnership.' The 2015 Forum will celebrate the recent reauthorization and the important role of women, civil society, and the private sector in promoting trade, expanding inclusive and sustainable economic growth, and generating prosperity." (Aug. 21)

The State Department continues saying "Representatives from the private sector, civil society, and the U.S.-sponsored African Women's Entrepreneurship Program (AWEP) will participate in Forum activities from August 24-25. Ministerial plenaries will follow on August 26-27, bringing together senior government officials from the United States and the 39 African beneficiary countries. A trade exhibition will run throughout the official program."

U.S. Wages 'Cold War' Against China in Africa

There has been considerable international focus over the last few years examining the increasing economic and political role of the People's Republic of China with African Union (AU) member-states. At present China is the largest trading partner with the continent emphasizing the construction and maintenance of infrastructural projects related to national affairs, medicine, science, transportation and other sectors.

Washington's emphasis in Africa has been characterized by the U.S. Africa Command (AFRICOM), which has thousands of troops stationed in Djibouti as well as other low-profile intelligence stations, airstrips and naval operations. Despite this escalating presence of AFRICOM, the overall security situation is deteriorating in key states such as Nigeria in the West and Kenya in the East, both close allies of successive administrations both Democratic and Republican.

There a multitude of joint projects between Beijing and AU member-countries including the construction of the new state-of-the-art conference center for the continental organization based in Addis Ababa, Ethiopia. It was from this podium at the AU headquarters that President Barack Obama delivered his speech in July at the conclusion of his visit to both Kenya and Ethiopia.

Although Obama hosted a trade conference emphasizing African entrepreneurship during his visit to Kenya, China is currently constructing a new railway line covering vast areas across East Africa. This project will enhance trade and employment opportunities for people living in the region where the legacy of colonialism and imperialism has hampered the free flow of people and goods.

The British Broadcasting Corporation (BBC) World Service reported last year that "Formal agreements for plans to build a new railway line in East Africa with Chinese help have been signed in the Kenyan capital, Nairobi. It is to run from Mombasa to Nairobi and will extend eventually to Uganda, Rwanda, Burundi and South Sudan." (May 12, 2014)

This article continues saying "In Kenya, the line is to replace a narrow-gauge track built more than 100 years ago during British colonial rule. China is to finance 90% of the first stage, put at \$3.8bn (£2.3bn), with work carried out by a Chinese firm."

Despite these joint projects with China, the overall trade between Africa and the U.S. has drastically declined under the Obama administration. The decline in oil and commodities prices are a significant aspect of this phenomenon while simultaneously the emphasis of Wall Street and Washington has been the maximization of profits at the expense of working people and their communities.

Critics of the AGOA strategy indicate that it empowers already large multi-national corporations and further marginalizes local producers and workers. Through AGOA clothing factories and other light industrial projects have been established in Kenya and other states including Lesotho in Southern Africa.

These production centers attract people from the rural areas into urban life with working class employment. Nonetheless, during conditions of declining demand and gaps within the funding from AGOA in the U.S., people are periodically laid-off and forced to return to the villages.

Also Washington utilizes AGOA funding to exercise its policy imperatives in attempts to influence the internal and regional affairs of African states. Consequently, the Act is a tool to exert the political will of U.S. imperialism on the continent.

Criticism Mounts Against Foreign Direct Investment Strategy

Although Africa is designated as a rapidly growing region and a center for Foreign Direct Investment (FDI), there are structural issues that emanate from the continuing dominance of the capitalist mode of production. Most of the western investment is designed to enhance the profit margins of the multi-national corporations and banks and not to empower the workers, farmers, youth and local business interests.

In a recent article written by Jostein Lohr Hauge, a Ph.D candidate at the University of Cambridge, he pointed out that "Africa is now the fastest growing region for foreign direct

investment (FDI) in the world. From 1990 to 2013, FDI inflows in Africa increased 19-fold from \$3 billion to \$57 billion. This trend, and FDI in general, is typically seen as a good thing for low-income countries. And especially in Africa, where most countries have small stocks of savings, attracting FDI in order to grow the economy and create jobs can be crucial." (African Arguments, Aug. 20, 2015)

Hauge's report assesses the benefits of this rapid expansion of FDI and concludes "This trend is all well and good for the huge companies involved – and usually for the economies of the countries in which they are based. But the problem with the expansion of powerful multinationals is that it can allow a small number of actors to capture larger shares of profits over larger markets. They do this so easily particularly because they have dominant technologies (often fortified by strong intellectual property protection) and brand name recognition."

Independent Economic Program Must Be Informed by Politics

A continental strategy independent of imperialism is the only medium and long term solution to capitalist domination of economic development in Africa. This can only be carried out when African states place the needs of their people above those of the global corporations and banks.

Enhancing the industrial, agricultural, educational, medical and scientific capacity within the post-colonial African states is a prerequisite for genuine independence. Dependency upon the West is a by-product of the legacy of slavery, colonialism and neo-colonialism.

Socialist economic construction in Africa could pose an alternative to the world capitalist system. In China, where the country gained liberation from imperialism nearly 66 years ago, tremendous strides have been made through a state-controlled economy that allows private capital but under the direction of the government led by the Communist Party.

Revolutionary Cuba in the Caribbean has outstripped U.S. imperialism in the areas of medical services despite a 54 year blockade and numerous attempts to overthrow their socialist government.

With considerably more natural resources and agricultural potential, a socialist Africa could become a bulwark for economic growth setting standards for the rest of the world.

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