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Motion without Movement: Debt forgiveness and the crisis of Inclusive development in a 'rising' Africa

The notion that the African precarious social and economic conditions is a „scar‟ on the conscience of the world necessitated the move to „forgive‟ most of the debt ridden countries on the continent since the early 2000s through such initiatives as the Jubilee Debt Campaign, Highly Indebted Poor Countries Debt Relief initiatives, and so on. Although political and corporate elites in the global north bought into the idea of debt relief or forgiveness, the campaign was kick-started by social forces in the global north and south. Even though many poor countries in Africa benefited from this initiative, the complexities and the contradictions that defined the terms of the debt forgiveness and its implementation have limited their impact on the lives of the people

Also, despite the current global narrative of a rising Africa, empirical evidences suggest that inequality and poverty remain pervasive on the continent. Besides, in a country like Nigeria where a whopping $12 billion was paid to creditors such as Paris and London Clubs in order to have $18 billion written off, both domestic and foreign debts have started to accumulate again. This paper argues that the problematic of the debt forgiveness experience in Africa lies in the same logic of accumulation by dispossession, elite conspiracy and complicity as well as the fallacy of economics that informed the accumulation of the debts. Consequently, the debt forgiveness has turned into a muted motion without movement for the beneficiary countries as they still lack policy space for endogenous development strategies.

Introduction

The 1970s witnessed several dramatic changes in the conduct of international economic relations. The breakdown in the Bretton Woods system, the oil crisis and the resultant economic problems faced by developed and developing countries alike brought about shift in monetary policy and overall economic direction (Gilpin, 2001). In particular the formation of the Organisation of Oil Exporting Countries (OPEC) and their assertiveness in setting the prices and quantity of crude oil to be produced led to surplus funds by members of the oil cartel (Spero and Hart 2010). These funds are saved in private banks in the West. While member countries of OPEC had surplus funds, other Least Developed and Developing countries were faced with serious deficits and other macro-economic problems. Gilpin (2001) notes that recycling of the resultant OPEC surplus to Least Developed Countries in deficit through loans by large international banks actually increased the likelihood of eventual crisis. From Mexico to Mali, debt became a major challenge to the development aspirations of the developing and lest developed countries. The decision of the Federal Reserves of the United States to change from loose to tight monetary policy further complicated an already dire situation. What followed was the triumph of neoliberal doctrine of „No Alternative to the Market‟ of Margaret Thatcher and Ronald Reagan‟s fame. The involvement of the International Monetary Funds in resolving the macro-economic faced by both least and developing countries led to the adoption of structural adjustment programmes in the 1980s. As the debts continue to grow, these countries lacked the required funds to either pay off the principal or service the debts.

Although the debt crisis started in Mexico in 1982, it spread like wild fire to other Latin American countries like Chile, Argentina, and Brazil as well as to Asian and African countries. With respect to Africa, the notion that the precarious social and economic conditions on the continent in form of hunger, starvation, poverty, sickness and diseases war and conflict had a constituted a „scar‟ on the conscience of the world necessitated the move to „forgive‟ most of the debt owed by the debt ridden countries (Blair, 2000). Some of the initiatives that have been taken to address the debt problem on the continent since the early 2000s include the Jubilee Debt Campaign, Highly Indebted Poor Countries Initiative (HIPC) and so on. Although political and corporate elites in the global north bought into the idea of debt relief or forgiveness, the campaign was kick-started by social forces in the global north and south (Peters, 2000). Even though many poor countries in Africa benefited from this initiative, the complexities and the contradictions that defined the terms of the debt forgiveness and its implementation have worsened the living conditions of the people through the imposition of wrong economic policies such as increase in interest rates and redirection of agriculture to the production of exportable commodities rather for the domestic market by the IMF on the beneficiary countries. As Peter (2000) argue, despite the debt write off of $100billion for some 41 listed countries, the rise in interest rates in the first two years of application of the HIPC has wiped out any benefit.

In the past ten years, there has been a global narrative about a rising Africa. Such narratives have been informed by the high rate of economic growth measured in terms of Gross Domestic Product, increased flow of foreign direct investment, high volume of trade and a growing middle class (AFDB, 2011). The continent, which was once described by Economist, the British weekly journal, as a hopeless continent has suddenly been rechristened as a rising lion and the next economic growth frontier (Economist, 2000, 2011). However, despite this current global narrative of a rising Africa, empirical evidences suggest that inequality and poverty remain pervasive on the continent (Oloruntoba, 2014a). Besides, most of the countries that benefited from the various debt buy-backs, forgives or write off have started to accumulate new debts. For instance a country like Nigeria where a whopping $12 billion was paid to creditors such as Paris and London Clubs in order to have $18 billion written off, has started to accumulate new debts. Although government officials would argue that the current debt to GDP ratio is still below international standard (Okonjo-Iweala, 2014), the questions that should be of concern is whether it is compulsory to accumulate those debts and whether they are being put into proper use. These questions become important in the light of high rate of capital flight that has been traced to debts incurred by African leaders (Ndikumana and Boyce, 2011). Using Nigeria and South Africa as case studies, this paper argues that the problematic of the debt forgiveness experience in Africa lies in the same logic of accumulation by dispossession, elite conspiracy and complicity as well as the fallacy of economic theory that informed the accumulation of the debts.

In the second section of the paper, I examine the history, nature and theory of global capitalism that informed the accumulation of debt by African countries from the 1980s. The section also examines the role of the World Bank and the IMF in either mitigating the effects of the debt crisis or complicating the economic problems that followed through such interventions such as the structural adjustment programme, Poverty Reduction Strategy Papers and other variants. The third section contains a critique of the narrative of a rising Africa, its contradictions in terms of the theoretical logic that informs the growth and its limitations. Section four makes a case for rethinking global capitalism in tandem with the ideas and thoughts of Karl Polanyi. This section is particularly important due to the various problems associated with the current market led - economic paradigm such as poverty and inequality, deprivation induced conflicts and general resistance by what Polanyi (1957) calls double movements in both global north and south. Section five concludes with recommendations on how to avoid another debt trap, reclaim policy space and facilitate economic development on the continent.

Global Capitalism and Debt Crisis: Historical and theoretical underpinnings.

The current era of global capitalism takes it roots from the past, a past that was generally characterised by the paradox of bubble and burst, ebbs and flows, growth and depression, prosperity and poverty, expansion and contraction. While elements of capitalism might have been present in virtually all societies, the industrial revolution in Europe gave vent to a global expansion that was undergirded by slave trade, imperialism, mercantilism and colonialism (Robinson, 2004). The post Second World War globalisation processes are continuation of the expansionary aspect of global capitalism as it integrate all regions of the world under a hegemonic idea and superstructure supervised by the Euro-America global imperial design (Ndlovu-Gatsheni, 2013). Scholars have argue that economics as a disciple has been the handmaiden of global imperial powers in disseminating ideas and theories that are anchored on the logic of the market.

In what Fine (2009) describe as Zombie Economics, development economics took a turn for the worse with the ascendance of conservative governments in Britain, United States of America and Germany in the late 1970s to early 1980s. These countries capitalised on the failures of the classical ideas that had informed economic model of the post War years to curb the economic crisis that started in the early 1970s with the breakdown in the Bretton Woods monetary system (Harvey, 2007, Giplin, 2001). The economic crisis of the 1970s only reinforces what is in the nature of capitalism. Capitalism as Marx notes is characterised by internal contradictions which shape and affect its operations, processes, forms and direction (Marx, 1867). The inevitable glut and surplus that results from over-accumulation at the centre or the core necessitates the search for expansion to other regions. Beyond the vertical spread for new markets and avenues for profit maximisation, which over-accumulation at the core requires is horizontal diversification into financialization as a means of survival. In other words, when returns from productive and value adding activities become less than the maximum rate of return that is expected by oligarchies, they seek for other opportunities through development of sophisticated financial products. The resultant effects of this is what Bond (2013: 569) calls „even and combined development‟. Bond notes that, finance creates unevenness because some circuits of capital (and the spaces that host them) „grow‟ much faster as accumulation processes build upon each other, even to the extent of dangerous speculative bubbling, while other areas are more decisively „redlined‟, starved of credit, disinvested, blighted, drained of savings and, when credit does flow, subject to predatory financiers…And finance is part of combined development because it often compels the „combination‟ of capital with the non-capitalist, ie households, women‟s roles in social reproduction, mutual aid systems, untitled land and pre-capitalist social tradition, state social services, environment and many other areas not yet touched by commodification, (p,570).

The overarching force of financialisation generally predispose capitalism to a cyclical crisis. As Bond notes in this respect,‟ measured as the world economy, capitalism suffered sporadic eruptions during the periods 1815-48, 1873-96, 1917-48 and 1974-present (p, 570). It is essentially in the contexts of the crisis of global capitalism that the debt crisis of the third world countries must be located. The neoliberal interpretation of the debt crisis related to the failure of the state and the Import Substitution Industrialisation strategies which they adopted shortly after independence in the late 1950s and early 1960s, (Gilpin, 2001). Notwithstanding such blanket claim, Bienefeld (1988) argues that in reality, the conclusions that can be drawn from the empirical evidence of the crisis are highly contentious. He contends that as the global economic conditions deteriorated and as the international economy became more politicised, the „orthodox‟ interpretation of that evidence has come to dominate. The domination of such views was not based on its superiority, „but because the international financial institutions and monetarists governments that came to power in the main industrialised countries saw a radical re-assertion of market principles as an essential means of protecting the value of their accumulated assets. Accordingly, they used their power over research funding, over publications and especially over credit to propel their interpretation of the facts to a dominant position (Bienefeld, 1988:5)

The debt crisis was indeed a fallout of the indiscriminate manner in which Western governments and their corporate creditors lend money to the newly independent countries. As Sobel (2006) argues in respect of debt crisis of the 1980s, the demise of financial control in advanced countries allowed for free movement to where there are need for new bankers, institutional investors, financiers and market entrepreneurs who harnessed technologies to unleash financial innovation and competitive market pressures, opened natural doorways to capital flows and awaken global financial markets. Gallagher (2011) notes that even though the United States of America adopted and benefited from the use of capital control from 1963-1973, the country became the chief architect and advocate of capital account liberalisation after the breakdown of the Bretton wood monetary system in 1973. The ease with which capital was able to move around the world played a significant part in the availability of funds, most of which were made available to rogue and illegitimate governments (Ndikumana an

Boyce, 2011). African experiences from the 1980s to early 2000s (the lost decades) contrasted sharply with what happened in the first two decades of independence when many of these countries recorded appreciable levels of growth with other regions of the world (Soludo and Ogbu, 2004). The oil shock of the 1970s and the dislocations that it caused to the world economy brought about a new direction in economic practice. Adherence to the euphoric idea of no alternative to the market led to serious economic crisis on the continent.

The crisis became worsened by the ill-advised roles that the IMF and the World Bank played in their bid to rescue the affected countries both in Latin America and Africa. The imposition of stringent conditionalities under the hubris of the Washington Consensus further worsened the socio-economic conditions of the debt-ridden countries. The intervention of the Bretton wood Institutions was based on the logic of the market: export led growth, reduction in the role of the state, public sector reform, pursuit of prudent fiscal and monetary policies, low inflation rate and the maintenance of balanced budget (Gilpin, 2001).

The IMF team that executed the HIPC also demanded that the governments of the beneficiary countries should cut back on sanitation, health, education and other social spending. It is paradoxical that the IMF imposed the same conditions that aggravated the debt of these countries on them after their debts have been forgiven or adjusted (Peter, 2000). The resultant effects of these contradictions is that despite the debt forgiveness, most of their economies have started to struggle for survival and many have returned to the same IMF for fresh loans, thus laying another foundation for future debts. From Ghana to Zimbabwe, Sierra Leone, Central Africa Republic, Nigeria, South Africa, Kenya and a host of others, the IMF economic spin doctors are on ground to provide policy advice and create the right environments for new loans to be granted. For instance in relation to Zimbabwe (once ostracised for pursuing nationalistic policies), The Fund noted in a press statement, that it decided to „resume IMF technical assistance in certain new areas to support Zimbabwe's formulation and implementation of a comprehensive adjustment and structural reform program that can be monitored by the staff‟. The country will now continue to get assistance in areas such as financial sector reform, central bank reform, tax policy administration, public financial management, expenditure policy, monetary and exchange policies, macroeconomic statistics and anti-money laundering‟ (Chipato, 2012).

In 2006, Dr. Ngozi Okonjo-Iweala, former Managing Director of the World Bank and Finance Minister President Olusegun Obasanjo of Nigeria initiated discussions with leading creditors of the country such as the Paris Club and London Club with a view to doing a debt buy-back (rather than debt forgiveness, cancellation or outright repudiation). Coming from over fifteen years of military dictatorship, the country had amassed external debt totalling $36billion with substantial part of national budget being used to service the debts. The windfall from oil prices which was at its record high price of over $100 per barrel, a slush external reserves of almost $60billion and an excess crude oil account of $20billion provided a convenient environment for debt buy back in a deal that led to payment of $12billion to the creditors in exchange for write off of $18billion of the country‟s debt (Okonjo-Iweala, 2012). The debt stock remained around $3billion after this pay out. In the estimation of government officials and the international community, this was a significant achievement as the country will have enough resources to pursue developmental goals. There were several questions which were not asked by the government officials who paid out such a huge amount of money in a country struggling under heavy infrastructural deficits. One, were the debts legitimate or odious? Were they used to execute projects that directly benefit the people or were they used for private accumulation by the preceding military rulers? What economic policies informed the need for the debts? Empirical evidences suggest that as long as military governments are government without the consent of the people, the debt incurred under such governments are odious and subject to repudiation (See Ndikumana and Boyce, 2011). As these authors show, most of the debts incurred by African governments have constituted sizeable proportion of capital flight into private accounts of these leaders abroad.

On the third score, the neoliberal policies that necessitated the debts have continued apace. Thus, in eight years that Nigeria paid $12billion to offset $18billion debts, the debt profile of the country has continued to grow. According to the Debt Management Office, the external debt stock of the country is about $6billon in 2013. The President has recently laid a fresh request for additional $1billion loan from the World Bank. The amount of money budgeted to service the debts have also been growing as about $600 million are now budgeted annually to service the new debts. Despite the assurances from government officials such as, Dr. Abraham Nwankwo, the Director-General of the Debt Management Office that the total debt stock of the country is only 18% of the Gross Domestic Problem (below the international benchmark of 40%), what should be our concern is what has been the contribution of the debts to the improvement in the living conditions of the ordinary citizens.

The case of South Africa in terms of debt to GDP ratio is even more dire. According to Bond (2013:577), the South African foreign debt ratio had soared from $25billion in 1994 to nearly $80billion by late 2008 and $125billion by 2012. Bond attributes this high level of debt to adoption of neoliberal economic principles. In particular, the adoption of the Growth, Employment and Redistribution (GEAR) was an uncritical embracement of neoliberalism.

Apart from the fact the GEAR replaced the Reconstruction and Development Programme which in all intent and purposes had a much clearer goal of fostering inclusive development, this policy set the tone for further market oriented policies such as capital account liberalisation which further integrated the financial and capital markets in the country to the international finance capital. The step to the financialisation of the economy had thus been sealed. It would appear that Padayechee observation about what uncritical acceptance of IMF market orthodoxy can do to South African economy was prescient. He had warned as far back as 1994 that unless a more coherent and defined approach to relations with IMF is developed, the realisation of the kind of economic development programme set out in the RDP may eventually founder on the rocks of the IMF's familiar orthodoxy, and that there are signs already that the RDP's fundamental thrust is being eroded under these and other pressures (Padayechee, 1994:585)

It seems to me that African countries are in circuit movement within the orbit of global capitalism. The more debt they accumulated, the more trapped they are in what Ndlovu-Gatsheni (2013) calls the global matrix of power, the more trapped they are, the more the loss of policy space and autonomy to formulate and implement policies that can bring about lasting inclusive development on the continent. This circuit show is a case of what I call motion without movement. Whereas there is the case of economic growth, the growth has been informed by the logic of the market, which only benefits the capitalist class and their allies in the corridors of power. This led us to the next section: Africa Rising Narrative and its contradictions

Africa rising narrative: contradictions and limitations for sustainable development

Until recently, the dominant narrative about Africa is a region of hopelessness, hunger, conflict, war and unstable political institutions (The Economist, 2000). It is a continent ruled by people whose main defining objective is the politics of the belly (Bayaart, 1998). For Chabal and Daloz (1999), it is a continent that works based on disorder. Others like Joseph (1987) interprets the political economy of Nigeria from the prim of prebendalism. Africanist scholars especially from the West struggled to find epithets and the most fascinating words to label Africa as a zone of non-being as far as real development is concerned (Mkandawire, 2011). Research and knowledge production about the continent also suffered as the importance attached to the continent and its studies during the Cold War dwindled and relegated (Olukoshi, 2005). Indeed, most of Africa countries were under military dictatorship without any form of accountability to the citizens. Corruption was rife and debt overhang was threatening. More than half of the continent also occupied the lowest rung of the ladder in terms of human development index. These experiences were fall-out of many centuries of oppression, exploitation, expropriation of human and natural resources, first during slave trade and later through imperialism, colonialism and neo-colonialism. As Polanyi (1957) argues, experiences such as slavery and colonialism have deep psychological effects on the victims in such a way that it affect their capacity to adjust and act rationally even after the symbolic end of such experiences. Coupled with these was the denial of agency and imposition of surrogates that only act to advance the economic interests of Western governments through their multinational corporations.

The current rising narrative on Africa started with the high rate of economic growth that have been recorded in countries such as Nigeria, Ghana, Eritrea, Angola, Rwanda and a host of others over the past ten years. On average these countries have grown at annual rate of 7%. The growth has been spurred by commodity boom, expansion in Chinese economies and its subsequent large scale involvement in mineral exploration in Africa. Other countries such as Brazil, Russia and India are also increasingly engaged in high volume of trade and investment with African countries (Oloruntoba, 2014b). The discovery of new oil reserves in different parts of the continent also enhanced the growth. In the case of Nigeria, which rebased her GDP early 2014, the entertainment industry and the revolution in mobile communication technology also contributed to the growth. Across Africa, the middle class has also been growing and it is estimated that the proportion of the middle class to the population of Africa will reach 300 million people in less than twenty years (AfDB, 2011). However, this growth has not significantly translated to improvement in the standard of the living of the people. It is paradoxical that most of the countries that are regarded as start performers in terms of economic growth are classified as low development countries in the United Nations Human Development Index. This is because these countries still lag behind in social indicators such as school enrolment, access to health, child and maternal mortality rates (UNDP, 2013).

This makes many analysts and scholars to wonder: In whose interest is the Africa rising narrative? (Adesanmi 2014, Fioramonti, 2013). In this connection, Adesanmi (2014) wonders why the narrative is being spearheaded by the World Bank, the IMF and neo-market media outlets like the *Economist* of London, Times Magazines and consulting outfits in the West. The World Bank and the IMF are particularly impressed by this performance because it vindicates their intervention in enforcing macro-economic reforms in Africa. Given the contradictions that inform the growth and its narratives, several issues arise which must be given consideration. First is the forces that drive the growth. It has been established that these growth are driven by commodity boom, especially in relations to the expansion in China‟s economy. To all intent and purposes, this is a conditional growth. Besides, commodity market are subject to cyclical changes as they are affected by situations elsewhere. The prices of commodities are also determined elsewhere and they are subject to regular fluctuations. Although specialisation in commodity exports by African countries may fit into the neoliberal principle of comparative advantage, in the long run it does not serve the development interest of Africa. Adesanmi (2014) summarises this reality that „Africa is simply rising without or beyond the African. Africa cannot in reality be said to be rising if the stull mainly demission from the social contract and her steaming institutions rise to satisfy the empirical parameter of outsiders at the expense of the people of Africa‟. These people are the workers, the women, the children and the elderly who continue to suffer from lack of appropriate social policies due to the imposition of neoliberal ideals.

Another issue which make the euphoria about Africa rising both ill-timed and ill-matured is the market logic that informed it as well as the application of wrong parameters in measuring it. The growth narrative is informed by capitalist idea of profit maximisation, even if this comes at the expense of denying workers their due reward and causing destruction to the environment. As argued elsewhere, the current regime of global capitalism has ensured that the share of labour in company profit has reduced over the past three decades while company profits and emoluments of company executives have increased dramatically (Oloruntoba, 2014c). The Gross Domestic Product as a means of measuring economic growth has also been criticised. Fioranmonti (2013) argues that the Gross Domestic Product as a means of measuring economic growth has serious political undertone. Besides, it fails to incorporate non-economic activities such as leisure. It also fails to appreciate the issue of environment and how it affects the future of humanity. There is no doubt that exploration of minerals affects the environment negatively. In view of the threat pose by climate change to Africa, shouldn‟t we be concerned about the effects of growth without consideration for sustainable development?

Comparatively, the current rate in Africa is far less than what the Asian countries recorded when they were growing. Whereas, the Asian Tigers such as South Korea, Singapore, Taiwan and Hong Kong recorded growth rates of above 10% over a period of 30years, the average growth rate in Africa has been around 7% and the growth has not exceeded reached fifteen years (Amsden, 2001). Also, while the growth in East Asia was driven by value adding production and exports with state involvement, the current growth in Africa has been largely driven by commodity exports. Although the services sector is growing, the share of manufacturing (the main driver of jobs) has been very minimal.

It is the above contradictions in the growth narrative that are responsible for the growth without development, expansion without jobs, prosperity without equality, earnings without savings that are being witnessed in Africa today. Rather than provide opportunity for future savings, most of the countries that are labelled as star performers such as Ghana and Nigeria are now seeking for loans and other forms of interventions from the IMF. As expected, policy recommendations from these countries will continue to reflect market ideas of privatisation, deregulation, liberalisation and removal of safety nets and subsidies for the vulnerable and the elderly. In view of the lack of sustainability of these policies, there is a drastic need for rethinking capitalism in Africa.

Rethinking Global Capitalism in Africa

In the preceding sections, I have tried to show that the debt crisis and the solutions that were provided to solve them have been rooted in the neoliberal economic theory which privileges the market as the more effective agency for allocation of resources. I have also shown that the Africa rising narrative is not sustainable as it is also based on the same logic of market, as well as accumulation by dispossession. The destruction to the environment which is also a fall-out of this regime extreme market fundamentalism has implications for long term sustainability of the human society. Consequently, there is a need to rethink global capitalism in such a way that will make it sustainable both in the short and long run. The starting point is to restructure politics. Scholars have argued that liberal democracy which has been hailed as the magic wand of political development and stability Africa is inherently infused with market ideals and tenets.

As Ake (1996) argues, liberal democracy is the democracy of the market in that it serves the interest of the property class and political elites. Ake was right. Most of the countries with the worst record of accountability and human rights such as the Democratic Republic of Congo under the late Mobutu Seseko, Oman Bongo of Gabon, Paul Biya of Cameroun received and continued to receive tacit support from the Bretton Woods institutions and Western governments as long as the interests of the multinational corporations are protected. Although some of the Western countries punish their corporations for infractions on domestic laws, they continue to patronise governments that are discredited. Most of the debts that were accumulated by African leaders have also been kept in Western countries. Hobson (2012) argues that liberal democracy allows the subornation of politics to economics. This hinders the ability of the state to formulate redistributive policies in the interest of the majority of the citizens. Thus, there is a need to build the capability of the state to redirect politics from business capture. This will require the involvement of active citizens, who will not only vote but put pressure on the government to put in place appropriate policies to meet their needs (Green, 2008).

In view of the risks that are associated with global capitalism, there is need for a stronger international architecture for global regulation of finance and its movement across the world.

In a recent report released as part of the preparation for the post-2015 Sustainable Development Goals, the United Nations Organisation notes that the current global governance architecture is not strong enough to regulate capital (UN, 2014). Thus African countries will need to work with other emerging countries to build stronger global governance architecture through which capital can be regulated. As Oloruntoba (2014c) argues, global capital must be regulated to give more consideration to labour. The current regime in which labour is subjected to all manner of subtle and direct threat and control in form of casual labour, contract work should be discontinued.

African countries need a new engagement with global capital in a way that transcends export of raw materials. As argued above, continued extraction of minerals and export of raw materials is not sustainable path to development. Countries that have emerged from low income to high income countries have done so through manufacturing, innovation, services as well as science and technology. This is the way for Africa to go.

Conclusion

This paper has examined the debt crisis, the African rising narrative and the contradictions of the current capitalist system. It argues that Africa has experienced various economic crises over the past thirty years. These crises as the paper argue was a result of the hegemony of neoliberal idea which forced the state into retreat and privilege the market in allocation of resources. Although many African countries have received debt forgiveness form Western creditors, the impact of the forgiveness have not been remarkably felt. If anything, few years after the debt, most many countries in Africa such as Nigeria, Ghana, Sierra Leone and so on have started to acquire new debts. These countries have lost their autonomy to make appropriate policies that could lead to their development. The paper also notes that the current euphoria about a rising Africa will not last long as the so called growth is not rooted in sound macro-economic fundamentals.

The way out of the crisis is for Africa to co consider and apply alternative economic paradigms, which recognise the regulatory role of the state over the market. In other words, the market must be embedded in the society (Polanyi, 1957). In view of the international nature of the crisis of global capitalism, the emergent double movement in the wake of the global economic crisis of 2008-2009 which manifested in form of occupy movements across the world need to be crystalised as a social movement that places constraint on market fundamentalism. With particular connections to debt write off and cancellation in Africa, the activities of Jubilee Africa and the advocacy of this group to seek for just and transparent approach to the issue of debt in Africa should serve as a good example for other social movements seeking for changes in the current unsustainable capitalist order. As Bond (2013:587-588) notes, when Jubilee Africa met in Cape Town in 2004, members of this organisation from Angola, Cameroon, Cote d‟Ivoire, the Democratic Republic of Congo, Kenya, Mozambique, South Africa, Swaziland, Zambia, Tanzania and Zimbabwe, and partners from Brazil, Argentina and the Philippines working on a comprehen- sive Illegitimate Debt Audit demanded that their national governments pursue the following post-neoliberal agenda:

• full unconditional cancellation of Africa‟s total debt;

• reparations for damage caused by debt devastation;

• immediate halt to the Highly Indebted Poor Country initiative and Poverty Reduction Strategy Papers and the disguised structural adjustment pro- gramme through the New Partnership for Africa‟s Development and any other agreements that do not address the fundamental interests of the impoverished majority and the building of a sustainable and sovereign Africa;

• a comprehensive audit to determine the full extent and real nature of Africa's illegitimate debt, the total payments made to date and the amount owed to Africa.

These demands represent the contour of the debt crisis and the action that were needed to address them. Although these demands were not heeded by the global capital, they represented and still represent the most sure and secure ways of getting Africa out of the trap of neoliberal informed debt forgiveness, growth and rising narrative, which only serve the interests of global capital and their domestic allies. Africa need a new crop of leaders that can understand and respond to the nuances of power relations that define the current global capitalist order, in which the developed countries are not willing to concede an inch of power and privileges. As capitalism remains disconnected from the society, the workers and the vulnerable continue to suffer both in developed, least and developing countries. It is in this context that the works of Karl Polanyi remains continually relevant to the understanding of the challenges of our contemporary world and the need to heed his warning in ensuring that the economy is embedded in the society.

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