

As capitalism destroys West, its African adherents swear by it

A system that places capital at the centre of economic activity – capitalism – has worked relatively well for almost all economically advanced societies. It has created powerful (financial) institutions to moderate the exchange of capital and similarly powerful individuals who have mastered the centrality of capital to the accumulation of wealth, who in turn ensure that capital remains in the hands of a few.

It is a more sophisticated system not unlike usury that preceded it. Like usury, access to capital requires the individual's ability and willingness to insure and pay interest on capital and to guarantee, with assets, the ability of repayment. If a poor country mired in poverty and whose population lacks basic assets emulates such a model, for whom is it at service?

While the capitalist logic makes a lot of sense in advanced economies, but perhaps the greatest paradox for poor countries is to attempt to fight poverty within the logic that places capital at the centre of socio-economic transformation.

Logic dictates that he who possesses more assets will access more capital has already excluded the poor from meaningful economic activity. Similarly, she who possesses less will have a more difficult time accessing capital. In other words, it is exclusion from the jump. In countries mired in poverty, this is not a mere exclusion of the few; it's the exclusion of the majority.

If capital is essential to wealth accumulation, then the former (the rich) have a clear path to wealth than the latter (the poor). Significantly, poverty in patriarchal societies is

likely to preclude women as the competition for access to capital takes on a gender element. It is a problem to be poor; a double curse to be a woman and poor. Alternatively, capital places women at the mercy of men.

Moreover, in the event that a poor person has some assets, the moment he enters the financial system, the conditions expose him to the manipulation of the rich, including increasing interest at will in ways that suggest that the aim is to ensure the poor part with his assets. You can imagine the manipulations and exploitations that are placed upon women in general and poor women in particular who seek to access capital.

But the punishment for being poor is not complete. The poor obtain loans with harsher conditions (higher interest rates) than the rich, who are said to be more "solvent." From the perspective of the poor, capitalist logic is rigged. From the perspective of the capitalist, however, the bible says that the big fish shall feed on the small fish.

But are the poor in advanced economies safe? The capitalist logic is responsible for widening inequalities among individuals even in those societies despite the fact that the system has generally worked well. It is them, therefore, who expose its inherent unfairness, which should serve as a warning against those that seek to emulate it without due introspection.

Anti-billionaire movement

Consequently, there is an anti-billionaire movement that is emerging in the United States of America and other western countries, such as France.

In 2017, Jean Luc Melenchon, a French presidential candidate went as far as suggesting that, if elected, he would impose a tax of 90% on annual income beyond 400,000 euros. In the United States of America, Alexandria Ocasio Cortez (AOC) has

proposed a marginal tax of 70% for the richest. Bernie Sanders has equally come out swinging against billionaires, "We say to Michael Bloomberg and every other billionaire. You ain't gonna buy this election. Those days are over," he tweeted on November 12, 2019. The suggestion is that an oligarchy has taken over America – and Europe – to the demise of democracy. It is forcing politicians and political parties to reinvent themselves and to table new ideas.

Indeed, the initiatives they are tabling aim to reduce inequalities; however, the challenge for these politicians is that they seek to eat the cake and have it too. The measures they are fronting do not call into question the system that produces the gross inequality; rather, they seek to give the system -exploitation – a human face: Equitable taxation of the rich will result in more money for the state; however, it will not necessarily make capital more accessible for the poor.

The people in the global south are watching in bemusement due to the unintended consequences that have been wrought by the unmitigated economic exploitation of the people: it has destroyed the scam that was liberal democracy: a political system is succumbing at the hands of moneyed interests that thought it was a good idea to buy-off politicians to pass favourable bills, i.e. tax exemptions, that would allow even greater access to wealth for the billionaires. As noted above, the system began to eat itself and what was intended as a democracy slowly became an oligarchy. It has given rise to a "populism" that rejects the status quo, to which smart politicians like Donald Trump have greatly benefited and to which politicians like AOC and Sanders are coming late to the party.

The veil is coming off. David Callahan recently argued in The Guardian that American elections have become a battle of billionaires in which random citizens were merely spectators. Similarly, Michael Tomasky warns in The New York Times that billionaires will destroy American "democracy."

Mimicking failure

The writing is on the wall in the West. However, this has not stopped poor countries, mostly in Africa, from aspiring for the failed economic system. One would be hard-pressed to find a system of economic management in Africa that is not a laboured replica of the capitalist logic. This begs the questions: Why does Africa seek to replicate a model that is losing steam and that people around the world are rejecting?

And why would a continent whose majority are poor seek to replicate a system that is by design weaponized against the poor? Do Africa's economic thinkers lack alternatives to do they simply refuse to think outside existing models? And what has Africa's poor done to counter an economic milieu that appears designed to be hostile towards them?

A system of pooling financial resources exists among the economically poor in much of Africa. In Rwanda, it's called *Ikimina* (Plural: *Ibimina*). Different African cultures have their own terminology that speaks to the same.

Members make contributions (weekly, bi-weekly or monthly) and from that pool, they obtain loans at low to no interest and without assets to guarantee the loan: All they have for collateral is their word, trust. It has elsewhere been referred to as "A process by which symbiosis is established and autonomy turns into interdependence" among all members of society regardless of social classes considerations.

The resilience of *Ikimina* suggests that it is effective as a self-defence economic model; it operates from a logic of survival against the exploitative capitalist ethos. It is able to address most of the urgent and unexpected challenges that people meet in their day-to-day lives. Indeed, the ability to make ends meet one day and one week at a time is the lived reality in the context of poverty. However, the survival of the model in its most rudimentary form suggests that a gap

exists between the actors within this system and our economic thinking who are committed to borrowed wisdom.

Speaking on loan theology on Judaism, Rabbi Rivon Krygier observes, "The distress of the poor is more fundamentally a problem of indignity than of indigence. The needy only conquer their dignity when they attain independence, by ensuring their own existence with their own resources and when they can give back some of what they earned to whoever gave them a chance."

Following the Rabbi, the fight to eradicate poverty can only be meaningful and dignified when the poor can at last think beyond the urgent and have control over their lives without an omnipresent fear of drowning in debts or losing the support of their benefactors. It is independence not in the sense of rugged individualism; rather, it is an independence that benefits the collective, the entire community as Ibimina have shown the potential to do.

Naturally, the question of how to leverage Ikimina in ways that allow its members to conceive initiatives beyond those to do with immediate survival and offer them a chance to thrive without entering the ethos of exploitation.

The question is whether our economic thinkers will consider leveraging similar initiatives or continue the replica that has seen capitalism destroy democracy and ultimately itself. Most importantly, whether we have to wait until both destroy our societies which have always favoured collective self-help over selfish and greedy individual accumulation of wealth.