

# THE THIRD COLONIALISM POWER, TRADE, AND SEDUCTION AS THE MEANS OF COMMAND

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For several centuries the European countries dominated the world's periphery establishing the system which was oftenly called the 'Westernized' world. What stood behind this 'Revolution of Westernization' (see: Laue, Theodore H., von. *The World Revolution of Westernization. The Twentieth Century in Global Perspective*, Oxford, New York: Oxford Univ. Press, 1987) was Europe's superiority in both warfare and technology that secured its access to the most remote parts of the planet and its means of conquest of any lands it was 'in need' for.

But this direct colonialism based on pure 'hard power' was limited by economic reasons: it might last till it was justified with 'geopolitical' considerations and till the possession of the overseas territories payed off, i.e. provided the conquerors with some valued economic advantages that overshadowed military and human costs of control. By mid-20<sup>th</sup> century it became evident, however, that 'colonial' goods that accounted for just couple of percents of ordinary Englishman or Frenchman's consumption were not worth human lives and enormous military costs needed for the continuous control over Africa or Indochina. Therefore – in a more or less peaceful manner – the 'decolonization' came to the agenda, and by mid-1970s the world was composed of at least twice as much independent 'nations' than before the outbreak of the WWI. The First Colonialism has gone.

Nevertheless, the Western countries still remained dependent of goods provided mostly by the peripheral nations. Despite they managed to substitute some of them by artificial produce (like India rubber by a synthetic one), the dependence of oil, non-ferrous ores, coffee or cacao was still in place. So after an 'organized retreat' in the 1970s and early 1980s the Western world established a new system that was known as neo-colonialism (the term is attributed to Ghana's president Kwame Nkrumah [see: Nkrumah, Kwame. *Neo-Colonialism, the Last Stage of Imperialism*, London: Panaf Books, 1969]) and is characterized by two distinctive features. The first is the penetration of the Third World's economies by transnational corporations who brought there much-needed investments and technological innovations while impeding the new nations' complex development; the second is a financial hijacking of many countries by international banks who lended them money in the

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1970s when commodity prices were high and the interest rates low, and claimed them back in the 1980s as market conditions changed almost overnight. This financial domination by the North over the South might be called the Second Colonialism which was not as bloody as the First one, but definitely not less rude.

Both types of colonialism were concentrated around wealth and money, and it is rather a hard task to define which one delivered more to the Western world. In the 19<sup>th</sup> century European trade was for up to 40 percent composed by the trade between the major powers and their colonies – but this was by any means forced trade that caused a lot of problems for the peripheral territories. Although their claims estimating the costs of European colonization at around \$780 trillion (see: *African World Reparations and Repatriation Truth Commission, 1999*) look grossly exaggerated, there is little doubt that the West got a lot of advantages from the First Colonialism. The Second one was profitable as well: even some debts amassed by the LDCs were forgiven several times, the outstanding debts owed by the Third World to the First at the turn of the millennium were estimated at around \$1.96 trillion (see: *Gottiniaux, Pierre, et al. World Debt Figures 2015, table 2-1, p. 35*), and the net interest flows to the North stood at \$220 billion a year. But, contrary to the military colonialism, in this case even the people of the impoverished countries themselves used to blame not so much the Western powers, but rather their own authorities (by 49 percent to 16 – see: *Our Common Interest: An Argument The Commission for Africa Report, London: Penguin Books, 2005, p. 41*) for such a mismanagement. One could agree with that, but there is no doubt the Second Colonialism, like the First one, was engineered by the First World powers.

The Second Colonialism was a hot topic in the 1980s but it lost its appeal these days as the growth rates in the global South accelerated and millions of people were taken out of extreme poverty primarily due to China's meteoric rise. But what came instead was a new phenomena we use to call the Third Colonialism which appears today to be more fastidious and subversive than the previous two.

If the First Colonialism was the one imposed by the military force, and the Second was one imposed by financial might, the Third is based on the power of seduction. The Third World countries has proven they cannot (by a vast majority) build anything close to the First World living conditions within their borders, but their 'elites' desperately want to enjoy the Western-style 'high life'. Since the most part of peripheral countries are either non-democratic or partly free, their elites' wealth may be questioned by either existing or future government, and very few people on the top – who mostly earn their wealth through corrupt practices – may feel safe and secure if they park their money at home. Therefore more and more wealthy people want to buy real estate in Europe and/or the U.S., to establish off-shore companies, to open secretly managed accounts, etc.

Therefore, corruption, which was for centuries a national issue, turns into a global phenomenon. Moreover, it becomes distinct from everyday bribery which is common for the majority of the 'developing' countries. While the term 'bribery' should refer to low-level corruption which may amass huge sums of money be-

ing, nevertheless, accumulated and used inside one or another country, international corruption involves ties between some nation's elites and the international financial centers, established where the East India Company was founded before and from where the armies were sent to conquer the remote lands.

The infrastructure serving this Third Colonialism involves thousands of lawyers based in London, Zurich, or Luxembourg; private banks and consultancies managing stolen money; state authorities granting asylum statuses to corrupt officials and bureaucrats, etc. The scale of this new Empire is impressive – today, at the lowest estimates, the net transfer of money from the Third World to the First stays around \$1 trillion per year, while it was less than \$200 billion at the dawn of the millennium (see: Cockcroft, Laurence. *Global Corruption. Money, Power, and Ethics in the Modern World*, Philadelphia (Pa.): Univ. of Pennsylvania Press, 2012, p. 137). The corrupt officials channel approximately four times more money to the global financial centers than their countries are paying as the interest charged by the international banks. And even the most respected international organizations still do not voice against this practice, trying only to undertake minor steps in insuring international financial 'transparency'.

We believe global corruption networks constitute the most negative effect of globalization – and, would we say more, the one that can and must be cured by the industrialized world itself. The key to the fighting global corruption lies not in the corrupt countries like China, Ukraine, Brazil or Congo – it is hidden in Europe and in the UK, where the two first forms of colonialism had spread from. The First World of today creates deliberately a new financial architecture that unlocks the borders of poor and – what is more important – of poorly managed nations allowing their masters to enrich themselves there but to invest here benefiting both from the disorder present in the global South and from the order built in the global North. Under such circumstances corruption cannot be effectively opposed from below, if it is not countered from above. And we argue that the existence of this system is by no means occasional: it cements the West's superiority over the rest of the world by much more secured means than ever before.

Why are we against this new type of Colonialism? First of all, it is more dangerous for Europe than any other form of dominating the overseas possessions since it corrupts the European countries and their authorities as the apologetics of corruption becomes a daily business for thousands of Europeans. Secondly, it perpetuates the state of lawlessness in the global South much more effectively than all the European proconsuls in the past since it endures the corrupt practices in the peripheral countries and discourages the anti-corruption activists there. Thirdly, it creates and international networks of corrupt officials that produces something that was never imagined before – a close alliance of the colonial masters residing both in the First and in the Third worlds. Therefore we're sure this new phenomenon must be opposed by all people of good will all over the globe.