

Interview with Capital Weekly, Ethiopia. 1 July 2011

CW: You have been described as an activist in your celebrated efforts to deliver change as a policy maker, author and Professor. What is it that distinguishes an individual as an activist?

YT: There are different kinds of activists, each his or her own. I cannot define an "activist individual" for somebody else. My own understanding boils down to three things. One is to distance oneself from the centres of power sufficiently to be able to express views freely, truthfully and independently. The second is to keep upfront human values in trying to assess development or policy efforts of governments – mine are rooted in non-violent and community-based approaches that enhance the ability of the people at the grassroots level to control their own destinies. And the third is patience. Changes do not come overnight.

CW: Please can you tell me about your work with the South Centre Commission? It has been described as the United Nations for the South, what kind of policies were you helping to create?

YT: The proper title is South Centre. In general terms, the SC seeks to provide a policy platform for the countries of the South to coordinate their negotiating positions on issues ranging from trade agreements to intellectual property, climate change, human rights, health and human security. The SC provides the necessary backup in the form of research, technical analyses, background papers and a venue for third world negotiators to meet and discuss their common strategies. The objective is to create a more symmetrical and fair environment for diplomatic negotiations on issues of global concern to the South.

CW: What do you think are the reasons are behind the current global financial crisis?

YT: The crisis has been in the making for at least since mid-1980s when the United States and Britain liberalised the global economy in order primarily to resolve the crisis of profitability that their corporations were then facing. In the process they deregulated the economies and removed those barriers to trade and investments that had ringfenced society from the greed of the corporations. This greed has now broken boundaries of social control over corporate excesses.

CW: What are the shortcomings of the prevailing free market paradigm?

YT: The paradigm is essentially ideological; existentially there has never been a "free market". The global economy is highly centralized in the hands of a few hundred global corporations that control the market for commodities and a few dozen finance and banking corporations.

CW: You describe in your work how the Capitalist system is being run by 'Kleptocratic Capitalists'. Please can you elaborate on this?

YT: Today we live in a world of kleptocratic capitalism. Some "left" intellectuals call it "financialised capitalism" - finance is king; production takes a second place. But this term is limited to only its predominant economic characteristic. In essence, in political-economic terms, kleptocratic capitalism is a system of economic production and exchange based on fictitious wealth without going through

production of real wealth and political governance controlled by "looters and daytime robbers". It is "rent seeking" by the rich nations; and within each nation by the rich economic and power elite. This creates at the opposite polar end the dispossession and disempowerment of the masses of the people.

CW: What are the implications of this financial crisis for Africa?

YT: To the extent that Africa is integrated in the global economic and financial system, Africa would naturally feel the impact of this crisis. For example, remittances from Africans working abroad have drastically fallen putting a severe strain on the families that had depended on these. But the essential point to remember is that Africa was already a victim of an economic system that pre-dated the current financial crisis. For thirty years or more, Africa has been subjected to structural adjustment programs forced on it for borrowing money from the IMF, the World Bank and the so-called "donors". Very few people really understand these processes. What the peripheral countries like Greece and Ireland are going through as a result of the austerity measures forced on them by their creditors is what Africa has been subjected to for more than a generation.

CW: How might the free market paradigm undermine Africa's ambition to become developed?

YT: Under the so-called "free market" -- what in fact is a system of almost total control by global corporations and a few global financial institutions -- Africa will never develop. The "growth" figures put out by the World Bank, the United Nations, and some donor agencies are misleading. However, there are occasional reports from UN agencies that cannot hide the truth. In a recent paper-- "Governing development in Africa - the role of the state in economic transformation", 22 March 2011-- the UN ECA argues that despite high growth rates in Africa there has been no improvement in employment and welfare of ordinary people. And -- although the UN ECA does not say so -- the reason is that global capitalism has an inherent tendency towards polarization between the rich and the poor. To fight against this, you have to have a strong state backed by people's power. Africa is weak in both these resources -- strong states and people's power -- to fight against kleptocratic global capitalism.

CW: You have spent a lot of your career trying to understand the economic relationship between Developed countries and the developing world. Please can you summarize for Capital just how valuable you think development aid is from the developed world?

YT: In the light of the answers above, it should be clear that "development aid" is not what it claims it is. Aid is a form of credit that debtors have to pay back. I go back to Greece again, because Greece is going through a classical crisis right in front of our eyes. In a few months, Greek assets will be privatized and fall in the hands of German, French and other banks and corporations. Greece will lose its economic sovereignty. This is what has happened to those developing countries that have been too weak to fight against the "chains of aid", and of course, these include practically the whole of Africa, including bigger countries like Egypt, Nigeria and South Africa.

CW: What do you think are the main obstacles to reducing poverty and improving the condition of the environment in Africa?

YT: This is a big question. The biggest obstacle is the neo-colonial structural condition of Africa. Africa has gained “political” independence, but not economic liberation. This will come when the people get on to the streets and replace their neo-colonial regimes – backed by the Empire – with genuinely popular regimes that are accountable to the people and not to the donors, the IMF or the World Bank.

CW: Do you think that Green Capitalism is a satisfactory response from the status quo to address the challenges of climate change, peak oil and resource scarcity in Africa

YT: I am afraid not. It does not solve the problem of the control of Africa`s resources – including oil, minerals, land, water and forestry – by global corporations.

CW: How unique is Africa in its capacity to adapt to these environmental challenges?

YT: Africa might be able to work out some measures of either mitigating carbon emissions or adapting to environmental global warming through community driven projects at local levels. But these will not make an impact substantial enough to get Africa out its climatic challenges. In order to do this, the peoples and states of Africa have to take bold steps to first nationalise their resources (outside the control of global corporations) and make these resources available for development by institutions and structures created by the people themselves.

CW: How compatible are the needs of the Free Market Kleptocratic Capitalist system with the needs of the living environment upon which we depend?

YT: From what I have said so far, it should be obvious that we cannot leave our precious global environment in the hands of those who are driven, essentially, by the profit motive. It is an oxymoron.

CW: How genuine do you think investment is from countries like India and China in its expressed desire to help Africa develop and progress?

YT: I doubt that China and India are driven by the motive of “helping Africa to develop”. They are in Africa because they need Africa`s resources, and openings for investing their capital. Nobody from outside is going to develop Africa. That is Africa`s responsibility. Therefore African governments must negotiate trade and investment terms with India, China -- and others -- with knowledge, skill and shrewdness.

CW: Do you think it is wise for Africa to emulate the development trajectory of India and China?

YT: India and China are no “models”, but Africa can learn a lot from the way these two countries have been shrewd when it comes to negotiating with the Imperial countries -- whether it is on matters of trade, investment, intellectual property and transfer of technology, or climate change.

CW: Can you suggest an alternative model of development other than Free Market Kleptocratic Capitalism and the development aid industry that might be more advantageous for Africa to adopt, in order to successfully produce an equitable and sustainable society?

YT: There are no “models”. Africa will have to develop its own “model”. At the end of the day, the people will need to replace their kleptocratic neo-colonial regimes with governments that answer to the people and that develop means and institutions to exploit Africa’s vast resources for the people of Africa, and not for a minority local rich class and global kleptocrats.

CW: Ethiopia prides itself for being an uncolonised country; however you have hinted that African countries are now very vulnerable to the empire of transnational corporate interests. Please can you expand on this and tell me just how vulnerable African countries like Ethiopia are to this perceived threat?

YT: Ethiopia was not colonised during the height of colonialism, but following Italy’s invasion in the 1935, it did fall under a colonial rule and occupation. Italy’s defeat in 1945 liberated the country, but it was a weak state and a weak economy surrounded by countries that were still colonies. During the cold war period, Ethiopia experimented with diverse systems of economic production, until today what we have is a hybrid system of production and exchange in Ethiopia. Ethiopia still has a long way to go to fully liberate itself from the domination of imperial capital. This is not a “perceived” threat; it is real.

CW: You have criticized AGRA for being a manifestation of this. Please can you tell us what AGRA is and what the implications of this organization are for Africa?

YT: AGRA (Alliance for a Green Revolution in Africa) is a multi-million mega-project funded by Rockefeller and Gates foundations. Under the guise of providing Africa with "climate sensitive" food crops and flowers, AGRA is pushing agro-chemical crops using multi-genome patents. Its objective -- or at least the end result -- is to control Africa's plant biomass to generate super profits for mega-chemical and seed corporations. This will wipe out small scale agricultural producers in Africa, and because the production is highly capital intensive and uses huge amounts of water, it threatens to dry out Africa’s water resources. Some of the effects of this kind of production are already manifest, for example, in the parched condition of Lake Naivasha in Kenya and the displacement of thousands of fisherfolk.

CW: How much credibility does the Green revolution model that came out of India have in its application to African countries like Ethiopia?

YT: India’s kind of “Green revolution”, if replicated in Africa, will create enormous problems of future food security and social stability.

CW: Do you think that the current policies in this country are effective enough to ensure fulfillment of the MDG?

YT: The MDG’s overall goals are not likely to be met in Ethiopia or the rest of Africa, despite some pockets of positive development here and there, because they are based on a development paradigm that is seriously flawed.

CW: What are Ethiopia’s strengths in being able to determine its own fate as a sustainable and equitable country independent of outside interference?

YT: I am afraid I do not have enough knowledge to answer this question. From what I have seen it does have a government that is aware of some of the problems I have mentioned above. I am not sure if it has the will and the internal political and institutional capacity to steer a development course independent of outside interference. Nonetheless, there are policies that the present government has put in place that are sensible – for example, on putting limitations on capital account and ownership of banks – but Ethiopia is still too dependent on aid from outside. This constraints its ability to shape its own development path.

CW: In your work you have outlined the obstacles to achieving freedom and you have also carefully delineated strategies for transformation. Please can you describe for us your understanding of what authentic transformation is and how the necessity of distinguishing information from Knowledge is a vital stage towards achieving meaningful change as an individual as well as a society?

YT: Information does not translate into development; in fact there is already information overload, mainly emanating from global players like the IMF, the World Bank, and the “donors”. This is the tragedy that we are currently witnessing in Greece, for example. Development comes from a deep understanding of the situation Africa finds itself in contemporary times. Development is always self-development. It cannot come from outside. Pain and sacrifice are necessary ingredients of development, both for individuals and for nations. The “soft bed” of foreign aid is the road not development but to slavery.