

Globalization and the Postcolonial World: The New Political Economy of Development

Ankie Hoogvelt

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According to Ankie Hoogvelt, this book is intended to “introduce students to debates regarding the development prospects of the Third World.” This she accomplishes in very compact and richly documented detail. Indeed, there are so many citations that the lack of a bibliography is sorely felt.

The book is divided into three parts, each addressing a broad theme affecting development and the Third World. The first considers the historical route of capitalist expansion into a world economic system by means of, among other things, the core countries’ depredations of their peripheral colonies. The second treats the world economy’s increasing internationalization and the retrenchment of wealth accumulation by means of strategic hegemony and economic regulation, especially by the United States. The final part examines the resultant situations in the four distinct sociocultural realms of the Third World, devoting a chapter to each: sub-Saharan Africa, the Islamic world, East Asia, and Latin America.

True to the spirit of debate she is trying to foster in her students, Hoogvelt challenges some of the conventional assumptions about human society’s advancement under globalization. She points out that, contrary to expert consensus, the flow of wealth to the Third world has declined since the colonial era. Or, again, that world trade represented a greater percentage of world production at the beginning of the twentieth century, before the era of globalization, than it did at its end, when it was in full stride. Or, yet again, that much of the apparent increase in trade, especially

to the Third World, was captured by a few Asian economies with relatively small populations.

What is more, the much-increased crossborder movement of goods represents the exchange of parts and semifinished components between internationally linked firms. Even more ominously, much of the increase in world trade involves the free flow of capital instead of goods, resulting in a concentration of wealth – or “deepening” instead of “broadening” – in the core countries (the United States, Canada, the European Union, and Japan) and, to a considerably lesser degree, in the hands of coopted native elites in the periphery (i.e., everywhere else).

Given this gloomy (although arguably realistic) scenario, Hoogvelt tends to conduct her encouragement of debate from deep within the camp of the anti-globalization movement, even while generally managing to avoid visibly taking sides. She occasionally tips her hand, however, especially while summing up her argument.

For example, after a concise examination of capitalism’s development from its mercantilist roots in Europe, through colonialization and competition between nation-states, into the system of “frenzied circulation” of capital and the relative decline of governments along with the concomitant political and economic disenfranchisement of former colonies, she concludes:

[T]he vast majority of humanity ... is getting poorer all the time. In a world so steeped in social inequality that just three super-billionaires have an amount of wealth exceeding the combined income of all the least developed nations and their 600 million population, and the net worth of another 200 equates to the income of 41 percent of the world population, measures of global growth are simply offensive. In a world where the majority of developing countries have structures of inequality in which 20 percent of the population walk away with 50 percent of the national income, national growth accounting is perverse.

Hoogvelt’s pessimism derives from figures supplied by the very organizations charged with cultivating the periphery’s economic development: the United Nations Development Program, the United Nations Conference on Trade and Development, and more sinister sources like the International Monetary Fund and the World Bank.

Prospects for improvement are grim. Areas of the world becoming useless to global capital are excluded from further participation. Contrasted with the relatively few “people whose academic backgrounds, income levels ..., life-style, use of leisure time, and aspirations are quite similar ... [and in whose] countries the national infrastructure ... is also quite similar,” and who

collectively comprise the global market, are the remaining 4.2 billion inhabitants of the globe. These, the “unbankable,” are condemned to subsist in a degrading environment, enduring compromised health while suffering rule by kleptocracies, and having their immediate survival periodically threatened by the approach of low-intensity conflict. In such a milieu, aid programs for development and incorporation into the world system are restructured for crisis management and “containment of politically insecure territories on the edge of the global economy.”

To show the effects of this marginalization, she analyzes each of the Third World’s distinct areas, apparently listing them in descending order of desperation. The most abject is sub-Saharan Africa, where most of the world’s poorest live and which has been discarded by the global system to perpetual banditry and warlordism. Only slightly better is the Muslim world, to which we will return shortly. For their parts, the East Asian economies served, in the end, not to vindicate the minions of development aid and the priests of the free market, but to expose predatory capital’s cynical collaboration with corrupt native élites to the detriment of everybody else. The most hopeful state of affairs obtains in Latin America, where the leftist intelligentsia has come the farthest in developing alternative models of, if not development, then at least of existence with a modicum of dignity on the world market’s fringes.

Hoogvelt’s analysis is at its weakest with Latin America and the Islamic world. In Latin America, for example, she finds succor in the unlikely sanctuary of identity politics, native and nativistic movements, and small-scale peasant cooperatives. And yet she is unwilling to grant a similar viability to Islamic movements rooted in authentic tradition, which she apparently cannot fit into her theoretical framework, and whose political agendas and social programs she dismisses as irrelevant.

It is here that even the structure of her analysis collapses: The Islamic world will not conform to her cartography. Two of the seven Asian “Dragons” (more properly high-performing East Asian countries), Indonesia and Malaysia, are home to tremendously large Muslim populations. These are not included in Hoogvelt’s analysis, which tends to focus on the Arab world. To include them would have required an acknowledgement that the Islamic response to development and modernization is far more complex than the picture she paints. It is telling that this chapter is one of the two shortest. This is not surprising, in that the analysis depends largely on just four sources, leaving Hoogvelt without very much new to say.

Equally short is the chapter on Latin America, but here at least the analysis is informed, in part, by a reading of native writers. Indeed, all of the discussions of the Third World, except for that of the Middle East, incorporate some reference to native authors (Is Said to be acknowledged as such?).

This lack of analytical depth is a troubling flaw in an otherwise stimulating book. One feels that Hoogvelt included the Muslim world for the sake of thoroughness and nothing more. Her few original conclusions might have been guessed from the broader context of the book: Militant Islam arose because “millions upon millions ... [of Muslims] do not have any prospect of being incorporated into the new global system,” and as that system is interested in the Middle East solely for its oil, it prefers dictatorships over democracy.

This places the author in something of a bind. Although she is obliged by her subject to treat those peoples who are in danger of being abandoned by the deepening of capital in the core, she has not found the time to explore the Muslim world in sufficient depth in order to explain it to her readers with the subtlety that it requires.

Aside from that, the book presents an accessible analysis of the geopolitical and economic forces shaping the Third World at the turn of the twenty-first century. As such, it goes a long way toward clarifying for other branches of area studies the forces shaping the objects of their own inquiries. Some observations became outdated after the collapse of the new high-tech economy, the terrorist attacks of September 11, the Argentine economic crisis, and the riots in Gujarat. In addition, the elation she feels at the putative victory of the antiglobalism demonstrations in Seattle is premature. Hoogvelt herself acknowledges that a work of this sort is bound to age quickly.

She is justifiably skeptical of the globalist utopia and generally brings the more sober aspects of postcolonial and postmodern conceptual frameworks to bear in her criticism of it, without succumbing overmuch to their excesses.

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