GIES HONOURS PAPERS

Volume 2 | Academic year 2022-2023

DEVELOPMENT AND THE '(IN)CAPABLE BLACK MAN'

Tina Kasse B'nicco

Master EU-studies – Ghent University[a]
Dissertation promotor: Prof. dr. Jan Orbie

When Ghana gained its independence in 1957, Kwame Nkrumah announced the birth of a new Africa *"[r]eady to fight its own battles and show that after all the black man is capable of managing his own affairs"*. In that same speech he noted that "*our independence is linked up with the total liberation of the African continent*".[1] He would further clarify that independence meant "*much more than merely being able to fly our own flag and to play our own national anthem. It becomes a reality only in a revolutionary framework.*"[2]

Nkrumah's aspirations for 'African liberation' stand in stark contrast with the current reality of global inequality, subjecting the African continent and other formerly colonized states to economic and political hardships that are familiar to the oppression of colonial domination. Within the political imaginary, these dynamics are described as a 'development problem', diagnosed by traditional economists and international financial institutions (IFI's) as an 'economic anomaly' which can only be treated by a state's adoption of 'sound economic policies' that will contribute to 'good governance'.[3] In its most recent iteration, development in the Global South is turned into a 'sustainable asset class', de-risked by the state and sold on financial markets.[4] In this regard, the new development paradigm replaces Nkrumah's 'capable black man' with Western bureaucrats and private investors.

Postcolonial and decolonial theorists have shown that rather than trying to solve the 'development problem', IFI's and Western states have used development policies to push against anti-colonial attempts to build a 'revolutionary framework' with which to reject the imperial power relations that inhibit real independence and postcolonial liberation.[5] In response, these scholars have outlined a critical research agenda that supports efforts for a decolonization that goes beyond the symbolism of a national flag. They encourage academics to conduct research aimed at deconstructing the racialised imperial hierarchies that continue to dominate the international system. Therefore, I refer to these theories as 'decolonizing theories', which this thesis aims to add to by conducting a critical study on the new development paradigm, known as the Wall Street Consensus (WSC).

As such, this paper seeks to 'decolonize' perceptions of international development and escape the trappings of a Western-centric analysis by using theories that capture the anti-colonial

[a] In the GIES Honours Papers, students who wrote an exceptional master's dissertation under the supervision of a member of the GIES get the opportunity to present their main argument or findings in a concise paper.

"*culture of liberation*".[6] Starting from the decolonial observation that international development has been used to entrench the racial hierarchies of imperial power relations, I build on the black radical notion of 'racial capitalism' to analyse the politics of development. Consequently, this thesis aims to investigate the following question: "**How d*oes the new paradigm for development finance maintain racial capitalism?***"

What is the Wall Street Consensus?

One of the main goals of the WSC is to use the incredible wealth accumulated by the financial sector as an opportunity to turn the "millions" provided by public development aid into "trillions".[7] Economist Daniela Gabor refers to the growing power and economic resources of the financial sector as the 'portfolio glut', a phenomenon that describes "*the unprecedented concentration of capital in the hands of a few asset managers that move capital across borders via portfolio flows*".[8] It is a consequence of deregulations and privatisations in Global North welfare states. In the absence of a more encompassing public social security system, Western citizens have increasingly entrusted their money to funds, institutional investors, and asset managers, hoping that these will use market-based finance to generate profits on their savings and provide them with a decent insurance or pension.[9]

The WSC aims to increase the financial resources for development by having developed and emerging economies (DEE's) attract this 'portfolio glut'.[10] To do this, DEE's must organize public services around private-public-partnerships (PPP's) and protect the profitability of these projects for investors by 'de-risking' them, i.e., using public resources to take on most of the risks they are associated with. Blended finance, which combines Official Development Aid with public finance to attract investment from the private sector is a crucial part in this undertaking. This involves using public funds to give grants and guarantees to development projects to secure their profitability for investors. In addition, they must create the necessary financial trading infrastructure.[11] This means that they should open their economies to a shadow banking system.[12] This follows from the efforts by various International Financial Institutions to turn strategies such as the as securitization to finance tradable securities via wholesale funding markets into an efficient form of credit intermediation that can be seen as a legitimate form of market-based finance. However, scholars have noted that the creation of 'development asset classes' through shadow banking techniques such as securitization reverses the role of finance, from servicing the economy to actively being served by it as the WSC attempts to create a development regime that meets the demand of investors for short term yields.[13]

The fact that the 'portfolio glut' is controlled by asset managers further reinforces this rationale as they will adjust their portfolio composition to match the risk-return profiles of their investors by using certain benchmarks.[14] As a result, the model for 'development' becomes governed by the logics of risk and return rather than economic empowerment and social benefit. This erodes the economic sovereignty of governments in the Global South as their economic policies are subjected to the scrutiny of financial actors, Western Governments, and IFI's, rather than the (democratically established) needs of the population. As such, Western corporations, institutions, investors, and countries continue to define what 'Good economic governance' must look like in post-colonial states.[15]

While the WSC might facilitate the entrance of capital flows into Global South economies, the measures DEE's must take also ensure the opposite. Indeed, the (partial) privatisation of infrastructures and services relating to things such as health, sanitation, water distribution and electricity to cater to international investors not only ensures that profitability will be at the forefront of these development projects.[16] It also implies that the profits generated by these initiatives that have been financed and de-risked by using public funds will not be recycled into the Global South economies but shared amongst investors that mostly operate from the Global North.

In addition, Global South countries must guarantee the liquidity and safety of their markets by acting as market makers, re-assuring investors that they are able to exit when they need to and that their currencies can be easily converted into a safer asset, such as the dollar or the euro.[17] One policy implication of this is that central banks must commit to foreign exchange rate interventions, ready to sell or purchase 'safe' currencies, like the dollar, to stabilise their exchange rate. This means that they must accumulate foreign reserves by generating trade surpluses through the repression of domestic wages and purchasing power.[18] To avoid the inflationary pressures caused by decreasing the supply of its own currency to buy reserve assets, countries must 'sterilize' their foreign exchange.[19] This means that they will borrow money in domestic capital markets to buy sovereign bonds in a reserve currency like the dollar. This process is very costly, because countries in the Global South face higher borrowing costs than countries in the Global North. Consequently, countries in the Global South need to issue bonds at high interest rates to buy foreign bonds with much lower interest rates, effectively resulting in a transfer of wealth from poorer countries to richer countries. In addition, international capital flows are, in large part, steered by the political economic conditions and policies in the Global North. This makes financial investments in the Global South extremely volatile, rendering DEE's with liquid capital markets particularly vulnerable.[20]

The other objective of the WSC is to align these development projects with the sustainable development goals to satisfy the demand for 'green assets', a desire which is not necessarily a reflection of a financial sector turning to climate activism, but rather of an industry responding to policymakers who are signalling the advent of a green transition that will make the 'dirty assets' they have been investing in unprofitable.[21] A forward-thinking business model thus leads the 'portfolio glut' to search for the bankable sustainable investments that the WSC is more than willing to offer. While this might sound like a welcome change towards sustainable finance, the environmental, social and governance (ESG) ratings used to measure whether assets are environmentally friendly have been known to exaggerate their sustainability. As such the WSC not only widens the profit margins of investors, but it also serves as a smokescreen for financial greenwashing.[22]

The WSC thus maintains a development regime that contains a Western-centric interpretation of progress and only considers 'sustainable development' policies to be legitimate when they are to the benefit of Western stakeholders. This demonstrates the conservative nature of the development industry: as it adapts to a changing political economy, it simultaneously works to maintain the unequal power relations that uphold a system that devalues the life of racialised people to expand capital accumulation. This corresponds with how theorists have used the notion of coloniality to clarify the persistence of imperial power structures, noting that it has both a performative manifestation, expressed in the ways the official laws, regulations and institutional norms of the international system are described and a prescriptive manifestation which reveals the imperial and racialised mechanisms of power behind the formality of global governance structures. While the former is susceptible to change, coloniality's prescriptive manifestation has remained in place, keeping coloniality and its racial capitalist economy from collapsing.

This paper investigates this further through an analysis of the WSC that puts the insights provided by heterodox political economic researchers on International Financial Subordination into a coloniality framework. Because of the scope of this paper, it focuses on how the Wall Street Consensus maintains racial capitalism through a coloniality of power. It merely reflects on how it is supported by other forms of coloniality.

Racial capitalism, coloniality and IFS

The main ideas behind the concept of 'racial capitalism', are a central feature in decolonizing scholarship. On the one hand racial capitalism signifies how the spatial unevenness with which capitalist production distributes prosperity, welfare,

and power are expressed in geographies of race, on the other, it reveals that the creation of wealth and the construction of ethnocultural distinctions represent two modes of value creation that are intrinsically related.[23] Because the current economic system undervalues the land, life, and labour of people who have been historically racialised, they experience capitalism in its most violent form. The difference between their experience of capitalism as a system of deprivation and the non-racialised experience of capitalism as something which, despite its deficiencies, still inhabits the ideal of progress and socio-economic opportunity, marks out what W.E.B Du Bois famously described as '*the global colour line'*, expressed in the reality of uneven development.[24]

Coloniality illustrates the ideological and disciplinary implications of development discourse and policy. Despite being marketed as a solidaristic effort to end the economic and social hardships that disproportionately affect populations in the global South, researchers have pointed out that development policies have preserved rather than alleviated the power asymmetries that created today's international inequalities.[25] As noted above, the WSC does not break with this tradition. In fact, researchers have observed that it exacerbates unequal power relations within the financial system by promoting monetary subordination and subordinate financialization.[26]

Monetary subordination elaborates on Keynes' (2017) liquidity preference theory, which tries to explain the demand for money. The liquidity preference theory asserts that the international demand for a currency depends on its ability to fulfil the necessary functions of international money, that is: act as a means of payment, a store of value and a unit of account. This depends on a currency's 'rate of return', which is determined by: (1) the expected appreciation of the asset, (2) the expected quasi-rent, the transaction or carrying cost of the asset, and (3) the liquidity premium (i.e., the ability to convert it into cash without a loss of value). When it comes to uneven development, the liquidity premium is one of the most important factors explaining the process of financialised peripheralization.[27] A high liquidity premium leads to a high demand, while a low liquidity premium will make financial actors more hesitant to invest. The divergencies in countries' liquidity premia contribute to a 'currency hierarchy'. Notably, countries in the Global North sit at the top of the scale, and countries in the Global South are located at the bottom, a stratification that mirrors the racialised and imperial hierarchies noted by decolonial scholars.[28]

Borrowing from Hyman Minsky's assertion that all the abovementioned factors are important because they allow a currency to fulfil its most fundamental function, namely to settle debts, Kaltenbrunner and Bonizzimaintain that a low liquidity premium is caused by three important factors: first, the high exposure to foreign investors or foreign debt, which condemns countries to boom and bust cycles that create risks for financial and currency stability. Second, the ability to generate foreign currency flows that enable a country to meet its obligations. These are secured through both trade and income surpluses in foreign currencies. Third, the ability to settle foreign liabilities by selling assets.[29] This Minskyan perspective is particularly valuable because it views money as a social relationship that emerges from a promise to pay.

Subordinate financialization is a consequence of monetary subordination.[30] It describes how the costly interventions that DEE's must perform to attract global finance to make up for their structurally low liquidity premium. As illustrated in the previous chapter, the WSC can be understood as a project that promotes subordinate financialization.[31] Instead of challenging the economic and financial structures that have created the currency hierarchy, the WSC lends legitimacy and encouragement to the costly mitigative practices peripheral countries have had to undertake because of it and proposes new measures that further financialised vulnerabilities.

Heterodox economists have observed the processes promoted by the WSC as features of International Financial Subordination (IFS) or *a "relation that is both spatial and saturated with power, a relation of domination, inferiority, and*

subjugation between different spaces across the world market, expressed in and through money and finance, which penalizes actors in DEEs disproportionally. It expresses itself as constraints on the agency of a multiplicity of social actors. It is directly implicated in the geographical transfer of value across the world market, and it significantly contributes to broader patterns of uneven and spatial development".[32] In this paper, the WSC is analysed as a form of IFS.

Combining heterodox and decolonial theory

Heterodox theories are valuable because they do not confine economic phenomena to the psychology of a market that operates through the laws of supply and demand. They interpret the economy from a more holistic, sociological point of view, considering the social, cultural, and political realities that determine its various functions. Despite this, heterodox economic theories have remained largely ignorant to the history of imperialism and the ongoing impact of racial hierarchies on the contemporary political economy.[33] By contrast, the decolonial and postcolonial literature offers an in-depth examination of the way the imperialist construction of race has continued to dominate (international) social, political, and cultural relations, but does not cover economic mechanisms with the same detail as heterodox scholars. This paper attempts to fill this gap.

Because the heterodox economic literature on IFS and the scholarship on coloniality have not yet been combined for an analysis of development policies, this paper is split into two parts. The first part consists of a literature study that brings together these two strands of theory by looking at how development policies have been used to maintain capitalism after formal decolonization presented a change in the international political economy by using secondary data. The conclusions from this part of the research are used as the theoretical framework for the second part of the thesis, which answers the central question: **How does the current regime for development finance maintain racial capitalism?** By grounding the analysis of the WSC in how development policies have historically maintained racial capitalism, this paper aims to uncover how the WSC represents coloniality's performative change in the face of a new political economic change, designed to protect its descriptive manifestation, which includes a system of racial capitalism. In this second part, I use previous research on the WSC as secondary data and policy documents from the billions to trillions agenda for development, the WB's maximizing finance for development and the G20's infrastructures as an asset class as primary data.[34]

Coloniality of power after formal decolonization

The Post-colonial era of development in the immediate period following the wave of decolonization in the mid-20th century was anchored in a development paradigm that followed the economic and social analyses of "modernisation theory", claiming that developing countries needed to accumulate agricultural surpluses to gather the necessary capital to industrialise.[35] These policies maintained racial capitalism because it saw development as a linear process that would mould peripheral states into Westernized nations and ignored structural inequalities, perpetuating unequal exchanges within trade relations.[36] By proposing that trade surpluses, earned through agricultural exports would lead to economic advancement, development policies kept peripheral countries resource dependent. This only trapped them in cycles of impoverished due to a structural decline in the terms of trade for primary goods, assuring economies in the core of a steady supply of cheap resources earned through the intense labour of people in the periphery.[37]

The excessive profits that countries and companies in the Global North could earn through the exploitation of these structural inequalities within the international economy are referred to as imperialist rents.[38] Processes of colonization and expropriations had earned businesses in the core a monopoly through their ability to control various sectors. By contrast, commodity producers in the Global South faced a competitive local environment. Confronted with a low number of businesses on the demand side and a high

number of competitors eager to find customers willing to purchase their products, producers in the Global South tried to retain profits at the expense of workers' wages, leading to a 'super-exploitation', whereby workers in the Global South were first exploited by local capitalists in the production cycle and then through the mechanism of unequal exchange in international trade relations. In addition, this low wage environment motivated monopoly capital to invest in low wage production processes in the Global South. The imperialist rents they subsequently obtained were made possible through labour arbitrage, or wage disparities between the core and periphery that cannot be defended through differences in productivity.[39]

The power relations governing the economic laws of 'unequal exchange', 'imperialist rents' and 'labour arbitrage' are constitutive of racial capitalism as it serves a global economy that guarantees the core of the necessary resources for industrial production without having to subject their citizens to the harsh labour conditions that workers in the periphery are faced with. For example, the wage differentials that allow for labour arbitrage are intertwined with processes of racialisation as these income disparities are not so much based on differences in productivity levels but follow from the devaluation of racialised labour and racialised people. On an international level, this is not only apparent in the lower value of primary commodities, but also in the profitability of outsourcing the labour-intensive part of the production process to formerly colonized, developing countries.[40]

The ability to dominate the periphery in this way comes from a 'cartesian logic' that secularises the idea of subaltern soullessness by contending that the capacity for reason creates a fundamental distinction between 'the imperial man' and the colonized subject. Racialised bodies are considered part of nature, viewed as capital inputs rather than autonomous beings.[41] In fact, racial capitalism is intertwined with the destruction of the environment and the expropriation of land. Nature and the subaltern are both considered to be irrational, and this irrationality grants the imperial man a right of ownership.[42]

By the end of the 1970s, the growing assertiveness of peripheral countries determined to take control over their own economies against the wishes of their former imperial rulers, combined with the increasing demands of trade unions in the Global North made it harder to reconcile the Western welfare state with high growth levels. Western governments lost their grip over national economies within the context of a growing internationalism, fracturing the spirit of 'embedded liberalism' that had ruled international relations after the end of the second world war.[43] In response, countries reaffirmed their commitment to using corporate profits for the expansion of capital by introducing neoliberal reforms and deregulations that supressed both organised labour in the Global North and anti-colonial developmentalists in the Global South.[44]

While this certainly had a negative effect on workers in the Global North, it was very much indicative of a 'spatial fix' that went at the expense people in the Global South.[45] Not only did these reforms reject the Global South's proposals for a New International Economic order, but it also created new ways to profit from racial hierarchies. Opportunities for labour arbitrage were expanded as capital was liberated within a context of labour immobility, strengthening an imperialist international division of labour by re-enforcing international competition between workers within the context of nationally segmented labour markets.[46]

By giving global capital free rein to outsource and offshore parts of the production process across the globe, companies and investors were able to further exploit the already vulnerable position of developing countries as they could only make themselves more attractive to foreign investors by offering them an environment that allowed them to cut on labour costs, pay little taxes and be less mindful of working conditions and environmental standards. While this had a negative effect on labour worldwide, the brunt of the burden was carried by workers in the global South. In

the Global North, maintaining peoples living standards and purchasing power was crucial for economic growth. Thus, various countries in the Global North (most notably the UK and the US) relied on credit-based consumption and a privatised version of the welfare state to ensure that businesses were met with a high enough demand to retain their profit margins.[47] By contrast, the devaluation of racialised people enabled the international economic system to deny citizens in the Global South such protections as the exploitation of their labour and environment was heightened by neoliberal globalization.[48]

Neoliberal reforms made the exploitation of racialised differences more lucrative because it created new possibilities to monetize the monetary hierarchy. A decolonial reading of Keynes' liquidity preference theory highlights how the currency hierarchy reflects imperial power relations. This is most apparent in the effects of currency speculation and the carry trade, but also manifests itself in more complex and subtle ways.[49] As capital controls became an economic taboo and international financial flows started to include portfolio investments in addition to foreign direct investments, monetary subordination became an even bigger obstacle for finding the resources to catalyse economic growth in the Global South. Attempts to lure global finance by offering higher interest rates or accumulating foreign reserves only exposed them to higher levels of indebtedness and opened them up to capital flows that are determined by economic fluctuations in the core.

The monetary subordination and subordinate financialization of DEE's under neoliberal globalization contributed to imperialist rent through the need to offer higher interest rates, the profitable business of the carry trade and currency speculation, the costly measures involved in retaining the liquidity and convertibility of financial assets for the benefit of Global North investors, and the accumulation of foreign reserves.[50] Importantly, these manifestations of IFS combine financial extraction with other forms of economic exploitation. For instance, 'self-insurance policies' whereby countries accumulate foreign reserves to control their exchange rates and handle the liquidity levels of their assets, not only entail a constant investment from the Global South into the Global North, but they also involve amassing trade surpluses to buy those foreign reserves.[51] This, in turn, relies on the depression of wages which adds to labour arbitrage. It also enhances their resource dependence and can lead to de-industrialisation, furthering DEE's dependence on monopoly capitalism.[52] 'Self-insurance' goes at the expense of government spending on welfare, productive capacities, or infrastructure. To prevent this from causing inflation, central banks will, 'sterilize' these foreign reserves by issuing debt in higher interest rates than the ones they receive for foreign assets, contributing to the carry trade.

The impact of financial deregulation on formerly colonized countries in the Global South illustrates how the approach taken by various heterodox scholars to interpret capital flows in a sociological sense (i.e., to understand them as reflective of social, cultural and power relations) can benefit from a decolonial analysis that pays particular attention to how the social reality within which financial activities take plays, is infused with racial and imperial hierarchies that influence the underlying functions of the international political economy. Indeed, critical scholars have recognized this by pointing out that money functions as an instrument for social regulation because it "*determines the immediate conditions (and mere possibility) of life under capitalism".*[53] The politics of money operate on Western terms as the value of assets and currencies are determined by risks that result from Western-centric and racialised calculations.

One of the ways money can operate as a form of social control is through financial risk assessments. These are carried out by the financial sector and are driven by Western conceptions of 'good economic governance'. This not only gives private and institutional investors the power to dictate what kind of activities are 'economic' or 'productive', it also enables global finance to influence the ways in which citizens in the Global South can be governed. Risk assessments punish countries that deviate from Western norms and

penalize states when they formulate policies that prioritize human and societal well-being over corporate profits. Consequently, money expresses a specific power relation that gives capital the power to "*appropriate surplus labour-time and extra-human natures such as land, natural resources and biodiversity, reducing human life and lifeworld's to monetary abstractions (such as prices, wages, interest rates, country credit ratings, individual credit scoring".*[54]

Understanding money as something which enables social control adds to the cartelist theory that political authority is crucial for maintaining the liquidity and stability of the economic system.[55] This political authority can be summarised by: 1) a state's ability to guarantee 'the legal tender status' of money by deciding what kind of payment is acceptable for settling debts and 2) a state's ability to subsequently print or create money outside of the national financial system. This 'outside money' differs from 'inside money' because the latter is created by private financial actors, such as banks, intervening in the financial activities within the state, whereas the former can be printed by the state and used to buy up devalued assets when the national financial system suffers a crisis. The state can do this, because the most important debt that the state should be able to define the means of payment for, is taxation. This ensures that "*the state's outside money is backed by the entire future revenue stream of income generated inside the economy the state governs*".[56] As such, in its domestic currency, the value of a state's assets is confirmed by the fact that it can create 'outside money' with which to monetize its debts.

However, because of their racialised and hierarchical integration within the world order, peripheral states lack the political legitimacy to fulfil the necessary functions of an 'economic sovereign' who provides guarantees for its 'outside money' through its control over the 'inside money' that is created and distributed within its territory. The peripheries dependency on monopoly capitalism forces them to use lower tax rates to attract foreign businesses.[57] Furthermore, countries in the Global South disproportionately suffer from tax evasion and tax avoidance.[58] 'Outside money' has little backing when a state's revenue stream is redirected to the core and siphoned off to tax havens. Therefore, the continued racialisation of states in the Global South maintains their 'burdened inclusion' into international society, which in turn influences the political and social conditions their citizens live under. While they might have the same legal status as countries in the Global North, peripheral states cannot exercise the same rights. Consequently, their membership of the international order includes more obligations than it does privileges.[59]

Mbembe describes how in African states, this inability to tax follows from the erosion of state sovereignty under neoliberal reforms.[60] He argues that the networks of patronage and clientelism, which he refers to as a 'politics of the belly', while more aimed at the personal aggrandisement of politicians than at the fulfilment of public welfare, were instrumental in forging a political community. In its effort to combat what it saw as the corrupt mismanagement of the economy, neoliberal reforms eroded the, albeit imperfect and fragile, post-colonial articulations of citizenship in favour of a 'private indirect government' that places state resources under the tutelage of international creditors. As such, the abyssal thinking that is a crucial feature of coloniality wherein one part of the world is conceived of as a place of 'non-ethics' and lawlessness, and another part as governed by human rights and the rule of law, becomes a self-fulfilling prophecy when privatisation and deregulation deprives people of 'the right to have rights'.[61]

This privatisation of wealth led to the privatisation of violence.[62] In the absence of such a national state building process, the question of who can benefit from lucrative deals with private companies or secure private welfare becomes dependent on who has access to the use of force. The result is that the state will either rely on foreign assistance to enforce authoritarian rule or that several militias will struggle for the control of resources. Importantly, the choice for an authoritarian government or decentralised rule through warlords is often dependent on what serves

Western economic interests. Consequently, the state loses its monopoly on violence as the use of force becomes contingent on the approval of outside actors or is disputed between internal factions. States lose the necessary sovereignty to secure tax revenue within their jurisdictions. This not only deprives them of necessary resources for the social and economic empowerment of their citizens, but it also sets them up to fail in an international system that categorises any divergence from the Western democratic system as 'rogue', 'failed', or 'fragile', leading to a general suspicion from financial markets and a re-enforcement of differential currency valuations, driven by neo-colonial anthropological assessments of developing countries as inferior.[63] In addition, branding countries as 'rogue', 'failed' or 'fragile' also legitimises military interventions that often turn these perceptions into self-fulfilling prophecies as they continue to erode the post-colonial state building project.[64]

The financial impact of this inability to tax confirms the Minskyan view that the liquidity premium is determined by a currency's ability to function as a tool for repayment.[65] A country's inability to effectively tax the economic activity within a country contributes to a currency's unreliability as a store of value that can generate a steady cashflow with which to settle debts. Because core countries have more powers for taxation, investors will rely on their currencies for international payments. Hence, the liquidity premium of peripheral currencies will depend on the extent to which it can be used to redeem liabilities denominated in the currencies of core countries. This leads to volatile and pro-cyclical capital flows that are more dependent on the financial developments in the Global North than the economic fundamentals of peripheral states.[66]

The structural violence that comes from the neoliberal erosion of the periphery's sovereignty, and the economic deprivations caused by international financial subordination can be described through Mbembe's concept of 'necropolitics'.[67] It exposes them to 'the powers of death' by perpetuating conditions of poverty, marginalization, exploitation, and conflict that turn subaltern bodies and their socio-ecological environment into an economic frontier that functions as a spatial fix, solving capitalist crises at the expense of their social and often physical existence.[68]

The WSC and the coloniality of power

The WSC can be understood through the Mynskian Supercycle theory.[69] A Supercycle is a *long-run institutional and political cycle over which the effectiveness of a particular configuration of thwarting mechanisms first increases and then declines*".[70] These thwarting mechanisms contain both a floor and a ceiling. The floor mechanisms ensure a minimum level of aggregate demand, while ceiling mechanisms impose upper limits on economic expansion by restricting activities that may create procyclical growth. The WSC is constitutive of the genesis phase that the *financial globalisation* Supercycle has landed in after the global financial crisis. It can be understood as a spatial fix akin to the one that occurred in the 1980s following the growing assertiveness of the Global south: yet again, countries in the Global North are faced with a crisis of accumulation as the crash of 2008 forced them to tighten banking regulations, making it harder to increase demand in a post-neoliberal context that has labelled the expansive fiscal measures promoted during the Keynesian era as 'bad governance' and made it institutionally impossible to downgrade the role of monetary policy to accommodate necessary government spending. In the absence of a Nixon shock that can liberate financial flows to expand credit-based consumption, the WSC looks to the 'portfolio glut' as a new way to stimulate aggregate demand in the Global North. The capital that can be expanded through market-based finance privatised sources of social security it offers can function as a ceiling-level thwarting mechanism that generates economic growth by creating more options for credit-based consumption. At the same time, the banking regulations that act as a thwarting mechanism to protect this Western-centric financial system can be maintained.

This spatial fix is only possible by allowing money to operate as a form of social regulation, letting the financial sector maintain racial hierarchies by

monetizing ethnocultural differences through market-based finance. By forcing the periphery to accommodate a shadow banking system, it promotes a subordinate financialization that encourages the intensification of imperialist rents through the exploitation racialised risk differentials. To support the shadow banking system, DEE's must take on a multitude of de-risking measures.[71] Governments must first commit to policy or regulatory de-risking by ensuring the project of a high risk-return profile, through for instance, the provision of user fees or ensuring the forex convertibility of local currency. In most cases, governments need to adopt a financial de-risking strategy, making sure that investors can expect a steady cash flow. Financial de-risking can include the provision of public subsidies, guarantees such as indirect grants, tax relief or specific debt-based instruments. This often involves blended finance. For example, private companies will be given a loan guarantee, whereby an IFI, such as the World Bank uses blended finance to take on the loan used to finance the project in case of default. Financial de-risking also includes demand risks and political risks whereby the state will guarantee a certain level of demand in its PPP contracts. In addition, financial de-risking also makes the state take on the political risks, protecting private sector profits from (re)nationalisation or tighter regulations. This will make development assets more appropriate for securitization and allow them to be traded on repo and derivative markets.

These measures ultimately lead capital to flow from the Global South to the Global North as it markets the costly policies states must undergo to mitigate against their structurally low liquidity premium as a means for global finance to increase their revenue. As stated, it intensifies the reality of subordinate financialization, advertising new techniques for financial de-risking and creating financial innovations through the securitization of development assets to provide an interesting 'risk-return profile' for their investors. Without structural changes in the financial system, these capital flows remain highly volatile and their entrance into peripheral markets will depends on the macro-economic situation in the core.[72]

The WSC allows the financial sector to position itself as a crucial actor in the transition towards a more equitable and financially friendly future. The benchmarked rationale of the portfolio glut educates the periphery by exerting a disciplining power on its economic policies, only investing when assets are sufficiently de-risked and profitable. It allows the 'imperial man' to satisfy the two objectives central to a 'pioneering explorer': it creates both a moral, 'civilising mission' by helping states transition onto the next phase of financialised development and allows for pillaging and resource extraction. The securitization of development assets into different risk tranches caters specifically to this 'split personality' of coloniality; creating assets that exude an air of exoticism, appealing to investors with a high-risk appetite and giving recourse to asset managers simply looking for a 'spatial fix' after the financial crisis left them with a larger inflow of capital, but a decrease in assets able to satisfy its demands.

The 'de-risked development assets' that the WSC promotes are used to greenwash the financial sector, protecting them from a radical transition to an environmentally friendly economy by assessing the sustainability of development assets through inadequate ESG-ratings and asking the state to de-risk them when they prove to be insufficient for adaptive and mitigative purposes, or when the carbon-transition makes them lose their value.[73] In this way, it extends what Verges terms the 'racial capitaloscene' which describes how the capitalist cheapening of nature started with and was dependent on, the racialised cheapening of labour.[74] The cartesian logic that allows the imperial man to dominate the colonized subject gave colonialists the right to claim everything that was considered inferior because of its supposed lack of reason. As subalterns and nature were considered irrational, both could be 'cheapened', that is, exploited and owned for profits.[75] The WSC re-enforces this racial capitalist trend by making the subaltern endure more of the harms caused by climate change. It not only does this through its endorsement of greenwashed

mitigation and adaptation projects, but also by asking peripheral states to protect investors when environmental degradation devalues their assets.

This enhances a 'private indirect government' that relegates subalterns to a position of 'statelessness' as their economic future is depoliticised under the guise of a bureaucratic development policy. This follows from an abyssal thinking, that considers the periphery to be the antithesis of the core. Where the former is constructed as the realm of lawlessness and arbitrary control, the latter is ordered according to the rule of law and fundamental rights. While this logic has always been the main driving force behind uneven development, the WSC re-arranges geographies of race by transforming the periphery into space that functions as a safety net for the financial sector, cheapening the subaltern's life, labour, and land in the process.

Conclusion

The WSC emerges out of a markedly different political and economic context than previous development paradigms, resulting in a change in coloniality's performative component. In many ways, its economic ideology of financialization reconciles modernisation theory's linear model for a state-controlled Western-centric conception progress with the neoliberal aspiration for the freedom of markets. Just like in Rostow's 'stages for growth', developing countries are expected to invest in new economic infrastructure. Only today, states are not just expected to invest in industrial equipment that facilitates the exchange of goods within an institutional framework of unequal exchange and recourse dependency. They are required to accommodate financial flows in support of rentier capitalism within a context of international financial subordination. While it borrows modernisation theory's economic interventionism, it continues the neoliberal legacy of "*encasing the economy from democracy*",[76] promoting a de-politicised de-risking state to ensure that the neoliberal achievement of giving capital the 'freedom of movement' is expanded by awarding it the protections that guarantee the profitability of exercising that right at the expense of expense of peripheralized countries.

When it comes to the economic (dis)empowerment of developing countries, the WSC displays clear continuities with the coloniality of power in earlier development paradigms, maintaining coloniality's prescriptive component. It can be understood as a new attempt to generate a spatial fix that can withstand the threat of a radical climate transition and meet the demands of the portfolio glut. It does this by exploiting a racialised currency hierarchy and forcing the periphery to accommodate a shadow banking system by undergoing a subordinate financialization, requiring them to de-risk their otherness through policy measures that lead capital to flow from the Global South to the Global North. The wealth that is accumulated in the process mostly benefits the privatised welfare of Western citizens whose assets remain somewhat protected through their collective ownership and steering power over the 'portfolio glut'. By contrast, citizens in the Global South continue to be undervalued as their working conditions, environments and welfare are exploited for purposes of capital accumulation.

---

[1] "Independence Speech – Kwame Nkrumah March 6, 1957, Accra, Ghana." (*PanAfricanqoutes.wordpress),* last modified march 10, 2012, accessed 19 April 20223 https://panafricanquotes.wordpress.com/speeches/independence-speech-kwame-nkrumah-march-6-1957-accra-ghana/.

[2] Ibid.

[3] Bonizzi, Bruno, Kaltenbrunner, Annina, and Powell, Jeffery. "Uneven development: financialised capitalism and subordination". In *A modern Guide to uneven development,* ed. Erik S. Reinh Reinert and Ingrid Harold Kvangraven, (Edward Elgar Publishing, 2022), 332-248. https://doi.org/10.4337/9781788976541; B. Christophers, "Uneven Development," in *Elsevier EBooks*, (2009), 12–17, https://doi.org/10.1016/b978-008044910-4.00241-8; Nanda, Ved P. 2006. "The 'Good Governance' Concept Revisited." *The ANNALS*

of the American Academy of Political and Social Science 603 (1): 269–83. https://doi.org/10.1177/0002716205282847.

[4] Jock McCulloch, "Amílcar Cabral: A Theory of Imperialism," *Journal of Modern African Studies* 19, no. 3 (September 1, 1981): 503–11, https://doi.org/10.1017/s0022278x00014993; Daniela Gabor, "The Wall Street Consensus," *Development and Change* 52, no. 3 (March 26, 2021): 429–59, https://doi.org/10.1111/dech.12645; Charles Gore, "The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries," *World Development* 28, no. 5 (May 1, 2000): 789–804, https://doi.org/10.1016/s0305-750x(99)00160-6. Aram Ziai, *Development Discourse and Global History* (Routledge, 2015), https://doi.org/10.4324/9781315753782; *Decolonial Perspectives on Entangled Inequalities* (London, United Kingdom of Great Britain and Northern Ireland: Anthem Press, 2021), https://doi.org/10.2307/j.ctv22d4tmb; Farhana Sultana, "Decolonizing Development Education and the Pursuit of Social Justice," *Human Geography* 12, no. 3 (November 1, 2019): 31–46, https://doi.org/10.1177/194277861901200305; Kalpana Wilson, *Race, Racism and Development: Interrogating History, Discourse and Practice* (Zed Books, 2012).

[5] Ziai, *Development Discourse and Global History*.

[6] Cedric J. Robinson, *Black Marxism: The Making of the Black Radical Tradition* (Penguin Classics, 2020).

[7] Gabor, Daniela, *The Wall Street Consensus,* 239-59

Fathimath Musthaq, "Development Finance or Financial Accumulation for Asset Managers?: The Perils of the Global Shadow Banking System in Developing Countries," *New Political Economy* 26, no. 4 (June 22, 2020): 554–73, https://doi.org/10.1080/13563467.2020.1782367.

[8]Gabor, *The Wall Street Consensus,* p.432

[9] Ibid.

[10] In this paper, I use 'DEE', 'Developing countries in the Global South' and 'periphery' interchangeably to refer to countries that share a history of colonial domination and continue to endure economic and social hardships. While concepts such as 'development and 'developing' have been criticized for their imperial and neocolonial nature, they are used in this paper in lieu of suitable alternatives. This paper aimed to give a broad, general analysis. Because of its limited scope, it was not able to dive deeper into a nuanced discussion about the relationship between processes of colonization, racialization, and economic deprivation. An analysis of how varieties in racialization and colonization impact a country's experience of International Financial Subordination can be a subject for further research.

[11] Patrick Bigger and Sophie Webber, "Green Structural Adjustment in the World Bank's Resilient City," *Annals of the American Association of Geographers* 111, no. 1 (June 2, 2020): 36–51, https://doi.org/10.1080/24694452.2020.1749023; Gabor, Daniela, *The Wall Street Consensus,* 429-59; Jan Orbie, Anissa Bougrea, and Mattias Vermeiren, "The New European Financial Architecture for Development: Change or Continuity?," *European Foreign Affairs Review* 27, no. Issue 3 (October 1, 2022): 337–60, https://doi.org/10.54648/eerr2022026.

[12] Daniela Gabor, "Goodbye (Chinese) Shadow Banking, Hello Market-Based Finance," *Development and Change* 49, no. 2 (February 2, 2018): 394–419, https://doi.org/10.1111/dech.12387; Cornel Ban and Daniela Gabor, "The Political Economy of Shadow Banking," *Review of International Political Economy* 23, no. 6 (November 1, 2016): 901–14, https://doi.org/10.1080/09692290.2016.1264442.

[13] Musthaq, *Development Finance or Financial Accumulation of Asset managers?*

[14] Musthaq, *Development Finance or Financial Accumulation of Asset managers?, 560*

[15] Ilias Alami and Vincent Guermond, "The Color of Money at the Financial Frontier," *Review of International Political Economy* 30, no. 3 (June 13, 2022): 1073–97, https://doi.org/10.1080/09692290.2022.2078857.

[16] Bigger, Patrick, and Sophie Webber, *Green structural adjustment*, 36-51; Musthaq, Fatimath. *Development Finance or Financial accumulation for asset managers*?; Gabor, Daniela, *The Wall Street Consensus,* 429-59

[17] Musthaq, *Development Finance or Financial accumulation for asset managers*

[18] Matthew C. Klein and Michael Pettis, *Trade Wars Are Class Wars: How Rising Inequality Distorts the Global Economy and Threatens International Peace* (Yale University Press, 2020); Manuel Felipe Martinez and Pietro Borsari, "The Impacts of Subordinated Financialisation on Workers in Peripheral Countries: An Analytical Framework and the Cases of Brazil and Colombia," *New Political Economy*, July 12, 2021, 1–24, https://doi.org/10.1080/13563467.2021.1952561.

[19] Ewa Karwowski, "Economic Development and Variegated Financialization," in *The Routledge International Handbook of Financialization*, ed. Philip Mader, Daniel Mertens, and Natascha Van Der Zwaan (Routledge, 2021); Nadine Reis, "A Farewell to Urban/Rural Bias: Peripheral Finance Capitalism in Mexico," *The Journal of Peasant Studies* 46, no. 4 (November 28, 2017): 702–28, https://doi.org/10.1080/03066150.2017.1395856.

[20]Bigger, Patrick, and Sophie Webber, *Green structural adjustment*, 36-51; Musthaq, *Development Finance or Financial accumulation for asset managers*?; Gabor, Daniela, *The Wall Street Consensus,* 429-59

[21] Francesco Baldi and Alessandro Pandimiglio, "The Role of ESG Scoring and Greenwashing Risk in Explaining the Yields of Green Bonds: A Conceptual Framework and an Econometric Analysis," *Global Finance Journal* 52 (May 1, 2022): 100711, https://doi.org/10.1016/j.gfj.2022.100711; Bigger, Patrick, and Sophie Webber, *Green structural adjustment*, 36-51; Gabor, Daniela, *The Wall Street Consensus,* 429-59

[22] Ibid.

[23] Koen Bogaert, *In Het Spoor van Fanon* (EPO, 2023); Julian Go, "Three Tensions in the Theory of Racial Capitalism," *Sociological Theory* 39, no. 1 (December 24, 2020): 38–47, https://doi.org/10.1177/0735275120979822; Jodi Melamed, "Racial Capitalism," *Critical Ethnic Studies* 1, no. 1 (January 1, 2015): 76, https://doi.org/10.5749/jcritethnstud.1.1.0076; Laura Pulido, "Geographies of Race and Ethnicity II," *Progress in Human Geography* 41, no. 4 (May 13, 2016): 524–33, https://doi.org/10.1177/0309132516646495; Nikhil Pal Singh, "On Race, Violence, and So-Called Primitive Accumulation," *Social Text* 34, no. 3 (September 1, 2016): 27–50, https://doi.org/10.1215/01642472-3607564.

[24] Wilson, *Race, Racism and Development*

[25] Gutiérrez, and Reddock. *Decolonial Perspectives on Entangled Inequalities : Europe and the Caribbean*; Wilson, *Race, Racism and Development;* Ziai, *Development Discourse and Global History*

[26]Ilias Alami et al., "International Financial Subordination: A Critical Research Agenda," *Review of International Political Economy* 30, no. 4 (July 19, 2022): 1360–86, https://doi.org/10.1080/09692290.2022.2098359.

[27]John Maynard Keynes, *The General Theory of Employment, Interest and Money: With the Economic Consequences of the Peace* (Wordsworth Classics of World Literature, 2017).

[28] Luiz Fernando De Paula, Barbara Fritz, and Daniela Magalhães Prates, "Keynes at the Periphery: Currency Hierarchy and Challenges for Economic Policy in Emerging Economies," *Journal of Post Keynesian Economics* 40, no. 2 (April 3, 2017): 183–202, https://doi.org/10.1080/01603477.2016.1252267.

[29] Bruno Bonizzi, "An Alternative Post-Keynesian Framework for Understanding Capital Flows to Emerging Markets," *Journal of Economic Issues* 51, no. 1 (January 2, 2017): 137–62, https://doi.org/10.1080/00213624.2017.1287502; Annina Kaltenbrunner, "A Post Keynesian Framework of Exchange Rate Determination: A Minskyan Approach," *Journal of Post Keynesian Economics* 38, no. 3 (October 3, 2015): 426–48, https://doi.org/10.1080/01603477.2015.1065678.

[30] Alami, Ilias, Carolina Alves, Bruno Bonizzi, Annina Kaltenbrunner, Kai Koddenbrock, Ingrid Kvangraven, and Jeff Powell. 2022. "International Financial Subordination: A Critical Research Agenda." *Review of International Political Economy*, July, 1–27. https://doi.org/10.1080/09692290.2022.2098359.

[31] Pablo G. Bortz and Annina Kaltenbrunner, "The International Dimension of Financialization in Developing and Emerging Economies," *Development and Change* 49, no. 2 (December 19, 2017): 375–93, https://doi.org/10.1111/dech.12371.

[32]Alami et al., International Financial Subordination: A Critical Research Agenda., p.3

[33] Tae-Hee Jo, Lynne Chester, and Carlo D'Ippoliti, *The Routledge Handbook of Heterodox Economics: Theorizing, Analyzing, and Transforming Capitalism* (Routledge, 2017)

[34] Development Committee Discussion note, *From Billions To Trillions: Transforming Development Finance pos-2015 Financing For Development: Multilateral Development Finance* by the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, and the World Bank Group., https://thedocs.worldbank.org/en/doc/622841485963735448-0270022017/original/DC20150002EFinancingforDevelopment.pdf, 2015 (accessed on April 18th 2023); World bank Group,

Maximizing Finance for Development (MFD), https://documents1.worldbank.org/curated/en/168331522826993264/pdf/124888-REVISED-BRI-PUBLIC-Maximizing-Finance.pdf, n.d. accessed on (April 18th 2023); Organisation for Economic Cooperation and Development. *Roadmap to Infrastructure as an Asset Class Infrastructure for Growth and Development*. https://www.oecd.org/g20/roadmap_to_infrastructure_as_an_asset_class_argentina_presidency_1_0.pdf, 2017, (accessed on April 18th 2023)

[35]Ingrid Harold Kvangraven, *Dependency Theory: Strenghts, Weaknesses and Its Relevance Today*, ed. Ingrid Harold Kvangraven and Erik S. Reinert, *A Modern Guide to Uneven Development* (Edward Elgar Publishing, 2022), 147-170, https://doi.org/10.4337/9781788976541; W. W. Rostow, "THE STAGES OF ECONOMIC GROWTH," *The Economic History Review* 12, no. 1 (August 1, 1959): 1–16, https://doi.org/10.1111/j.1468-0289.1959.tb01829.x; Ziai, *Development Discourse and Global History*

[36] Aram Ziai, "'I Am Not a Post-Developmentalist, But…' The Influence of Post-Development on Development Studies," *Third World Quarterly* 38, no. 12 (June 1, 2017): 2719–34, https://doi.org/10.1080/01436597.2017.1328981.

[37]Amin, *Imperialism and Unequel Development* (Nouvelles Editions Numériques Africaines, 2017); Kvangraven, *Dependency Theory: Strengths, weaknesses and its relevance today*

[38]Samir Amin, "The Surplus in Monopoly Capitalism and the Imperialist Rent," *Monthly Review* 64, no. 3 (July 5, 2012): 78, https://doi.org/10.14452/mr-064-03-2012-07_5.

[39] Samir Amin, "The Surplus in Monopoly Capitalism and the Imperialist Rent," *Monthly Review* 64, no. 3 (July 5, 2012): 78, https://doi.org/10.14452/mr-064-03-2012-07_5.

[40]James H. Mittelman, "Rethinking the International Division of Labour in the Context of Globalisation," *Third World Quarterly* 16, no. 2 (June 1, 1995): 273–96, https://doi.org/10.1080/01436599550036130; Walter Rodney, *How Europe Underdeveloped Africa* (Verso Books, 2018).

[41] Nelson Maldonado-Torres, "ON THE COLONIALITY OF BEING," *Cultural Studies* 21, no. 2–3 (March 1, 2007): 240–70, https://doi.org/10.1080/09502380601162548.

[42] Raj Patel and Jason W. Moore, *A History of the World in Seven Cheap Things: A Guide to Capitalism, Nature, and the Future of the Planet* (Verso Books, 2018).

[43] Gurminder K. Bhambra and John Holmwood, "Colonialism, Postcolonialism and the Liberal Welfare State," *New Political Economy* 23, no. 5 (January 5, 2018): 574–87, https://doi.org/10.1080/13563467.2017.1417369; Ha-Joon Chang, *Kicking Away the Ladder: Development Strategy in Historical Perspective* (Anthem Press, 2002); Jason Hickel, *The Divide: A Brief Guide to Global Inequality and Its Solutions* (Random House, 2017); Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (London, United Kingdom of Great Britain and Northern Ireland: Penguin UK, 2014); James Midgley and David Piachaud, *Colonialism and Welfare: Social Policy and the British Imperial Legacy* (Edward Elgar Publishing, 2011).

[44] Jason Hickel, *The Divide*

Ha-Joon Chang, *Kicking Away the Ladder*

[45] David Harvey, *Spaces of Global Capitalism: A Theory of Uneven Geographical Development* (Verso Books, 2019).

[46] Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Harvard University Press, 2018).

[47] Lucio Baccaro and Jonas Pontusson, "Rethinking Comparative Political Economy," *Politics & Society* 44, no. 2 (April 7, 2016): 175–207, https://doi.org/10.1177/0032329216638053; Colin Crouch, "Privatised Keynesianism: An Unacknowledged Policy Regime," *The British Journal of Politics and International Relations* 11, no. 3 (August 1, 2009): 382–99, https://doi.org/10.1111/j.1467-856x.2009.00377.x.

[48] Hickel, *The divide*

[49] Fathimath Musthaq, "Dependency in a Financialised Global Economy," *Review of African Political Economy* 48, no. 167 (January 2, 2021): 15–31, https://doi.org/10.1080/03056244.2020.1857234; Matías Vernengo, "Technology, Finance, and Dependency: Latin American Radical Political Economy in Retrospect," *Review of Radical Political Economics* 38, no. 4 (December 1, 2006): 551–68, https://doi.org/10.1177/0486613406293220.

[50] Musthaq, Dependency in a Financialised Global Economy

[51] Karwowski, *Economic Development and Variegated Financialization; Nadine Reis, "A Farewell to Urban/Rural* Bias: Perpheral Finance Capitalism in Mexico

[52]Musthaq, *dependency in a financialised economy;* Ewa Karwowski, “Economic Development and Variegated Financialization,” in *The Routledge International Handbook of Financialization*, ed. Philip Mader, Daniel Mertens, and Natascha Van Der Zwaan (Routledge, 2021); Matías Vernengo, “Technology, Finance, and Dependency: Latin American Radical Political Economy in Retrospect,” *Review of Radical Political Economics* 38, no. 4 (December 1, 2006): 551–68, https://doi.org/10.1177/0486613406293220; Fathimath Musthaq, “Dependency in a Financialised Global Economy,” *Review of African Political Economy* 48, no. 167 (January 2, 2021): 15–31, https://doi.org/10.1080/03056244.2020.1857234.

[53] Alami and Guermond, *The Color of Money at the Financial Frontier*, p.6

[54] Alami and Guermond, *The Color of Money at the Financial Frontier*, p.6-7

[55] Louis-Philippe Rochon and Matías Vernengo, “State Money and the Real World: Or Chartalism and Its Discontents,” *Journal of Post Keynesian Economics* 26, no. 1 (December 8, 2014): 57–67, https://doi.org/10.1080/01603477.2003.11051383; Mattias Vermeiren, “Meeting the World’s Demand for Safe Assets? Macroeconomic Policy and the International Status of the Euro after the Crisis,” *European Journal of International Relations* 25, no. 1 (December 22, 2017): 30–60, https://doi.org/10.1177/1354066117744030.

[56] Herman Schwartz, “International Money after the Crisis: What Do We Know?,” in *Critical Junctures in Mobile Capital*, ed. Jocelyn Pixley and Helena FLam (Cambridge, United Kingdom of Great Britain and Northern Ireland: Cambridge University Press, 2017). Quoted in Mattias Vermeiren, “Meeting the World’s Demand for Safe Assets? Macroeconomic Policy and the International Status of the Euro after the Crisis,” *European Journal of International Relations* 25, no. 1 (December 22, 2017): 30–60, https://doi.org/10.1177/1354066117744030 .

[57]Amin, *Imperialism and Unequel Development*; Achille Mbembe, *On the Postcolony* (Univ of California Press, 2001); Martin Hearson, “The Challenges for Developing Countries in International Tax Justice,” *Journal of Development Studies* 54, no. 10 (May 24, 2017): 1932–38, https://doi.org/10.1080/00220388.2017.1309040.

[58] Martin Hearson, “The Challenges for Developing Countries in International Tax Justice,” *Journal of Development Studies* 54, no. 10 (May 24, 2017): 1932–38, https://doi.org/10.1080/00220388.2017.1309040, Timothy Besley and Torsten Persson, “Why Do Developing Countries Tax So Little?,” *Journal of Economic Perspectives* 28, no. 4 (November 1, 2014): 99–120, https://doi.org/10.1257/jep.28.4.99.

[59] Adom Getachew, *Worldmaking after Empire: The Rise and Fall of Self-Determination* (Princeton University Press, 2020).

[60] Mbembe, *On the Postcolony*

[61] Hannah Arendt, *The Origins of Totalitarianism* (Penguin Classics, 2017); “Beyond Abyssal Thinking: From Global Lines to Ecologies of Knowledges on JSTOR,” n.d., https://www.jstor.org/stable/40241677.

[62] Mbembe, *On the Postcolony*

[63] Alami and Guermond, *The Color of Money at the Financial Frontier;* Getachew, *Worldmaking after empire*; Vivienne Jabri, “War, Government, Politics: A Critical Response to the Hegemony of the Liberal Peace,” in *Palgrave Advances in Peacebuilding*, ed. Oliver P. Richmond (London, United Kingdom of Great Britain and Northern Ireland: Palgrave Macmillon, 2010), 41–57, https://doi.org/10.1057/9780230282681_3; James Tully and Emilios Christodoulidis, “On Law, Democracy and Imperialism,” in *Public Law and Politics* (Routledge, 2008), 77–110.

[64]Zubairu Wai, “Neo-Patrimonialism and the Discourse of State Failure in Africa,” *Review of African Political Economy* 39, no. 131 (March 1, 2012): 27–43, https://doi.org/10.1080/03056244.2012.658719; Jabri, *War, Government, Politics: A Critical Response to the Hegemony of the Liberal Peace;* Tully and Christodoulidis, *On Law ,Democracy and Imperialism*

[65]Luiz Fernando De Paula, Barbara Fritz, and Daniela Magalhães Prates, *Keynes at the Periphery.*

[66] Hélène Rey, “Dilemma Not Trilemma: The Global Financial Cycle and Monetary Policy Independence,” May 1, 2015, https://doi.org/10.3386/w21162.

[67] Achille Mbembe, “Necropolitics,” *Public Culture* 15, no. 1 (January 1, 2003): 11–40, https://doi.org/10.1215/08992363-15-1-11.

[68] Patel and Moore, *A brief History of the world in 7 cheap things;* Harvey, *Spaces of Global Capitalism*

[69]Yannis Dafermos, Daniela Gabor, and Jo Michell, "The Wall Street Consensus in Pandemic Times: What Does It Mean for Climate-Aligned Development?," *Canadian Journal of Development Studies* 42, no. 1–2 (January 15, 2021): 238–51, https://doi.org/10.1080/02255189.2020.1865137; Piero Ferri and Hyman P. Minsky, "Market Processes and Thwarting Systems," *Structural Change and Economic Dynamics* 3, no. 1 (June 1, 1992): 79–91, https://doi.org/10.1016/0954-349x(92)90027-4; Thomas I. Palley, "A Theory of Minsky Super-Cycles and Financial Crises," *Contributions to Political Economy* 30, no. 1 (April 2, 2011): 31–46, https://doi.org/10.1093/cpe/bzr004.

[70] Dafermos, Yannis, Daniela Gabor and Jo Michell, *The Wall Street Consensus in Pandemic times,* p.4

[71] Musthaq, *Dependency in a Financialised Global Economy;* Gabor, *the Wall Street Consensus*

[72] Musthaq, *Development Finance or Financial Accumulation for Asset Managers*

[73]Moritz Baer, Emanuele Campiglio, and Jérôme Deyris, "It Takes Two to Dance: Institutional Dynamics and Climate-Related Financial Policies," *Ecological Economics* 190 (December 1, 2021): 107210, https://doi.org/10.1016/j.ecolecon.2021.107210; Francesco Baldi and Alessandro Pandimiglio, "The Role of ESG Scoring and Greenwashing Risk in Explaining the Yields of Green Bonds: A Conceptual Framework and an Econometric Analysis," *Global Finance Journal* 52 (May 1, 2022): 100711, https://doi.org/10.1016/j.gfj.2022.100711; Bigger and Weber, *Green Structural adjustment;* Dafermos, Yannis, Daniela Gabor, and Jo Michell, *The Wall Street Consensus in Pandemic Times*

[74] Françoise Vèrges, Gaye Theresa Johnson, and Alex Lubin, "Racial Capitoloscene," in *Futures of Black Radicalism* (Verso Books, 2014), 83–95.

[75] Patel and Moore, *A History of The World In 7 Cheap Things*

[76] Slobodian, *Globalists*, p.11