

Essay: Economic Imperialism: Fact or Fiction?

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IV. Economic Imperialism is a reality

A. The history of economic imperialism.

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Economic Imperialism: Fact or Fiction?

Imperialism was wrongly assumed to have ended in the aftermath of World War II. Such an aggrandizement continued in the mask of economic advancements. Although the idealists are of the perspective that economic cooperation keeps the world moving, it is not untrue. Neoliberalism has emerged in the shape of trade tariffs, preferential *laissez faire* rules, direct economic sanctions and the use of economic aid as a tool to gain leverage over the financially-dependent states. The exploitation is not limited to governments of states; private entities such as business tycoons and corporations also hold substantial influence in the global great game. Moreover, many states use the carrot approach for strategic gains. The global peace has also suffered at the hands of economic giants. Additionally, with the progressive trajectory of neoliberalism, the rich are becoming richer, while the poor poorer. Financial upperhandedness can be utilized to maintain a stable global order. Instead, economic imperialism has become an obvious reality; the economically stronger ^{entities} use their monetary leverage to subjugate the weaker ones.

Economic imperialism is a relatively new term. It can be defined as the aggrandizement of a state or an entity over another entity on the basis of economic strength. This means that a country with a strong financial framework

manipulates or even exploits another state for its self-interest. It is a Machiavellian approach but in modern terms, since in the past imperialism was extended to breaching territorial sovereignty. Today, in terms of economy, it does expand but using financial tools instead of conventional methods to make a weaker state its subordinate.

To idealists, economic imperialism is a myth. They believe that states cooperate for mutual gains. One country, with financial upperhandedness helps the economically poor states; the former does work for her interests but they are ethical and justified. The latter gets financial aid which alleviates its ailing economy. Such a scenario is natural and bound to happen. Subsequently one state gains leverage over the other. This makes a family model: the breadwinner is always the most respected and esteemed ^{member} in the family. To idealists and naturalists, such a system is acceptable and, in fact, better for global stability.

Moving on, they believe that without financial aid many countries will default. To an extent, this is true. Over the period of decades, many countries have been thriving on financial aid. Although this plunges the country in a debt trap, in the short- and medium-terms the countries continue to survive. Greece as a European

has survived on this mode.

Despite what many realists and idealists say, economic imperialism is a reality. Having grown wings from the beginning of the cold war, neoimperialism has consolidated its tools since. After World War II, the world was divided into two blocs: -the Western bloc led by US and the Eastern bloc led by USSR. As economic giants, both countries used their monetary strengths to gain allies or even force into having ones. Following it, came the post 9/11 era. Imperialism was so at peak that statement issued by US departments read "You are with us or against us." Thus, economic imperialism emerged and has ^{been} had progressively strengthening tools since.

One way that states use their economic might on others is the imposition of trade tariffs or sanctions. Countries with animosity towards ^{me} another or as a policy to further subjugate another state, increase trade tariffs as a means to threaten others. One such example is the exchange between US and China. As rivals on the global fronts, they have imposed excessive tariffs on imports of each others' goods. This works in the way that it hurts the export of its rival country. In this way, one country establishes its economic greatness over another.

In recent times, preferential Laissez faire policies have been adopted by economic giants. One such example is the treatment of the United States towards African states. Various studies showed that in the 1990s, the United States forced African countries to lower the duties on their cotton production, while itself maintaining the higher tariffs. Such an arrangement is open maltreatment of the weaker, dependent countries. Meanwhile, relevant reports have shown that the restrictions are much lenient to the allies of strong states even if they are economically more stable.

On the subject of dealing with political miscreants, economic sanctions are the most recent ways of showing a country's might. Such punishments include trade embargo, freezing of foreign reserves, and refusal to provide financial aid. These have been overly utilized by the US, UK, and EU in recent times. The countries on the receiving end include Russia, Iran, Afghanistan and many others. Similar example is when Pakistan developed its nuclear technology and the West responded with direct economic sanctions as a way to punitively deal with Pakistan. Imposing such sanctions bring few states to have much of the world at their mercy.

Financial institutions that have large shares of specific countries are used to establish economic apartheid of those states over those who are in need of aid. In the global context these institutions have been the Brettonwoods institutions that mainly include the International Monetary Fund and the World Bank. These institutions provide aid and look over the financial sustenance of struggling countries respectively. However, these aids are not mere help in times of need since these institutions run on the system of shares, the countries having larger shares have a more direct and manipulative role in dependent states.

These financial aids are not mere approaches to establish the hegemony of a few states. They are also used to meddle in the internal matters of the receiving states. This interference is very systematic. It is done under the structural adjustment policies (SAPs). These SAPs are used on the face value to make the states of many countries better. On the contrary, since external agents have little knowledge about the internal matters of a country, they make the situations worse by interfering the chain of events. Financial aid, therefore, is used in interests of influential states.

The role of imperialism is not completely attributed to governments of economically strong states. Private entities such as business tycoons and corporations also influence the trends of neo-imperialism. For instance, Elon Musk, the richest man in the world is supporting Donald Trump in his electoral campaigns. Given the fact that if Trump wins, his policies will be highly influenced by Elon Musk's interests. Similar influence is held by corporations around the world. Therefore, private entities hold a substantial status in the financial apartheid.

Economic influence is also used through the carrot approach for strategic gains. Countries such as Djibouti and Singapore are at strategically very important chokepoints. The former at the Bab el mandeb and latter in Strait of Malacca, both countries rely on transit trades of the passing goods of various countries. Additionally, the states fighting the global great game such as US and China^{and} are at a stand-off, built their bases in these countries. The transit states in this manner are highly dependent on these economic grants.

To add fuel to the fire, economic imperialism is on a progressive trajectory; the rich are becoming richer and the poor poor. Because the countries with an upper hand have existing influence, it imposes more of its strengths on other countries. This further reinforces the economically stronger one while suppressing the weaker. Countries with financial assets invest more and attract even more foreign investment. This in turn becomes a point where much of the youth heads towards further strengthening the position of that country. Running on the model of capitalism, the countries that are already financially stronger are heading towards more economic gains.

Consequently, some questions arise: what is the prospective future of the global economic order? Is this going to continue progressively or will it come to a halt change the global economic order? These questions will be better explained in times to come. However, the speed of economic imperialism can slow down. This will take an cumulative initiative by the economically dependent states, ethical consideration by the stronger ones, and a common realization that the world can only sustain itself in continued peace and growth with global cooperation.

In conclusion, it is thus established that economic imperialism is a reality. Financially stronger states continue to take advantage of the weaker states. With its tools taking a strong hold in the aftermath of the second Great War, ne imperialism has continued to become a clearer fact with every passing day. The use of heavy tariffs, sanctions, financial aid has been done in a relatively adverse manner. Both government and private bodies have held this superiority with expanding ambitions. However, collaboration to bring equity on the global stage is not yet an elusive dream. Continued efforts from both ends of the spectrum can reach to moderation, with giants being less imperialistic and the dependent states becoming substantially independent.