The Implications for Africa of a collapsing international order

The international order as we know it, has its origins in the arrangements and institutions established after the Second World War. They were the United Nations, the World Bank, the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT) and were underpinned by a Western consensus on how to secure international peace, promote the rule of law, and liberalise international trade.

These developments occurred before the era of decolonisation. African nations were not at the table when the UN Charter and the Bretton Woods Agreements were negotiated and adopted. The exceptions were Egypt, Ethiopia, Liberia, and South Africa. Most African States began their statehood under the umbrella of an international order pre-dating their independence.

The era of the Cold War followed. Nuclear weapons altered international affairs in a fundamental and perilous manner. Mutually assured destruction (MAD) kept the peace. For African nations it made sense to join the Non-Aligned Movement after its establishment in 1961. It was founded with the view to advance the interests of developing countries in the context and tensions of the Cold War. China was a member and played a prominent role at the Bandung Conference of 1955, where the foundations of the Non-Aligned Movement were laid. Those conditions no longer exist; Non-Alignment as it existed 60 years ago has been replaced by debates about the Global South versus the Global North. China is now a world power with its own vision to replace the liberal world order which it perceives to favour the West.

For more than 40 years, the Soviet Union chose to remain outside the trade and financial arrangements of the 1940s but in 1989 the Berlin Wall came down. Communism, and the political and economic models it stood for, came to a crushing end in Eastern Europe.

In 1995, the World Trade Organisation was founded; based on a rules-based single undertaking for trade in goods and services, the regulation of the trade related aspects of intellectual property rights and dispute settlement. China joined the WTO in 2001 and began a phase of spectacular economic growth. The Russian Federation

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followed in 2012. Apartheid came to an end in 1994 and South Africa, the continent's most industrialised economy, joined the Organisation of African Unity (soon to be replaced by the African Union) and SADC. At the time, it was said that a united African continent had arrived.

The world is a very different place now. For years the international order that has governed the global economy has been eroded. Today, it is close to collapse. The WTO has been paralysed since the Trump administration imposed tariffs on steel and other imports by invoking national security concerns. The Biden administration followed suit. The WTO's dispute settlement system cannot function because the members of the Appellate Body are not appointed.

The IMF and the World Bank face their own crises, while the United Nations Security Council finds it impossible to adopt resolutions to deal with the wars in Gaza and in Ukraine. The International Court of Justice is confronted with novel challenges since the applications brought by South Africa to declare Israel guilty of genocide in Gaza. Matters could get worse. The return of Donald Trump to the White House will make international relations with China, and even NATO partners, unpredictable. It has been written that an "outright war between America and China over Taiwan, or between the West and Russia, could cause an almighty collapse".[1]

Where will such developments leave Africa? The brief answer is that Africa has little influence and ability to solve the looming crises threatening world peace and order. Its interests lie in preserving and improving the post 1990 international order. Under that order hundreds of millions escaped poverty in China as it integrated into the global economy. Infant-mortality rates are far less than in 1990. The percentage of the global population killed by state-based conflicts hit a post-war low of 0.0002% in 2005; in 1972 it was nearly 40 times as high. The era of the "Washington consensus", which today's leaders hope to replace, was one in which poor countries began to enjoy catch-up growth, closing the gap with the rich world.[2]

Once this system is broken, it is unlikely to be replaced by new rules. Instead, world affairs will probably descend into a state of anarchy. Without trust and an institutional framework for co-operation, it will become harder for countries to deal with 21st century's challenges. Problems might be tackled by clubs of like-minded countries, but they will have to enforce their measures against outsiders. That will involve coercion and resentment, as with Europe's carbon border-tariffs. When co-operation gives way to strong arm tactics, countries have less reason to keep the peace.

Some are of the view that Africa's future lies with the BRICS group, now consisting of Brazil, Russia, India, China, and South Africa Iran, Saudi Arabia, Ethiopia, Argentina, Egypt, and the United Arab Emirates. That belief is misplaced. BRICS is not an international organisation, and the vast majority of African nations are excluded. Some BRICS members (e.g. India-China, Egypt-Ethiopia, and Iran-Saudi Arabia) have long-standing quarrels. BRICS is far more likely to be a forum for promoting China's views about how the world should function.

Africa's most attractive option for now is to make the AfCFTA a success story. It has not yet discovered the formula for doing so. This matter is discussed in several other tralac publications. At this Conference, we will again provide an update of the AfCFTA negotiations and of what remains to be done to make it the gamechanger that has been promised.

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[1] The Economist 9 May 2024.

[2] Ibid.

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