

The Neo-imperialist Logic of Global Capitalism in *A Banker for All Seasons* by Tariq Ali

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Abstract

The research attempts to evaluate the nexus between neoliberal global capitalism and neo-imperialism as portrayed in Tariq Ali's play A Banker for All Seasons (2008) from a Marxist Postcolonial perspective. It applies the theory of World System and Dependency to examine the polarization of the globe into the core, imperialist and peripheral, colonized capitalist economies through the evolution of a capitalist world system in the last five centuries. In the same light, the present study scrutinizes the perpetuation of dependency in the postcolonial, peripheral states by the development of US-centric transnational enterprises which, supported by the national capitalists and neoliberal agenda, economically exploit masses across the globe. A textual analysis of Agha Hasan Abedi's character in the play highlights the way the global Bank of Credit and Commerce International founded in Pakistan ran neo-imperialist operations and plundered the hard-earned money of its small depositors, benefitting the big capitalists.

Key Words

Capitalist World System,
Dependency, National
Bourgeoisie, Neo-
imperialism, Neoliberal
Globalization

Introduction

The present research adopts a Marxist Postcolonial theoretical paradigm and explores the World System and Dependency theories in the light of Samir Amin's seminal works. It traces the origin and development of the capitalist world system creating a global division of labor and demarcating nation-states into central and peripheral zones within the system, each with its own specific formative features. The research links imperialism, neo-imperialism, and globalization with the expansion of the capitalist world system and the perpetuation of the concomitant polarization and monopolization. In the literary analysis part, the play *A Banker for All Seasons* (2008) by Tariq Ali is perused, with special focus of attention on the protagonist Abedi, in order to explore the substantiation of the above-mentioned issues and to enquire if contemporary Pakistani English literature displays cognizance of the politico-economic snares the country is caught in. Tariq Ali is a London-based Pakistani writer, journalist, film-maker and political activist. The range of his work is encyclopedic, tackling subjects based in Marxism, History, Geopolitics and Postcolonial Studies in addition to attempting the genres of both fiction and non-fiction. He has been contributing consistently and pertinently to debates on local and global political economies, neo-imperialism and the need for socialist transformation of societies. The subjects

resonate throughout his fiction.

Research Questions

1. How does Tariq Ali's fiction contribute to a deeper understanding of the *modus operandi* of the nexus between neo-liberalism and neo-imperialism resulting in the asymmetrical structure of contemporary globalization?
2. What are the salient features of the core economies and the peripheral ones within the capitalist world system and how do exploitative relations between them perpetuate dependency in the postcolonial Third World?

Theoretical Framework and Methodology

The first major topic discussed in the theoretical part is the development of the capitalist world system and the formation of core and peripheral economies within it. The core countries (Euro-America) are shown to be having monopoly on accumulated capital, industries of manufactured products and technological advancement. The peripheral formations are depicted as economies which are agrarian, poorly industrialized and dependent on foreign aid/loans with the highest number of proletarianized masses. The preliminary part of the literary analysis, accordingly, focuses on situating Pakistan's political economy within this peripheral context as depicted in *A Banker for All Seasons*.

The second pivotal argument in the theoretical section is the sustenance of American capitalist hegemony and neo-imperialism through the globalization of neoliberal policies of privatization and deregulation. The phenomenon of globalization is demonstrated to be working in favor of the free movement of capital and the multiplication of the already accumulated capital both in the center and periphery to the detriment of the welfare of masses. In view of that, in the subsequent part of the analysis, the development of BCCI as a global bank orientated toward the benefit of global bourgeoisie as well as the new American empire is scrutinized. A close textual analysis of the play *A Banker for All Seasons* foregrounds the above-mentioned major issues. However, the analysis is delimited to the study of Agha Hasan Abedi's character which comprehensively encompasses all the pertinent subjects through its various shades and phases of development.

Background of the Study

Looking at the global politico-economic scenario from a Marxist Postcolonial perspective, American neo-imperialism, globalization of neoliberal capitalism and the underdevelopment of the Third World emerge as the most pertinent issues of our times. The World System and Dependency theory, originating from within Marxist Postcolonial Studies, makes a substantial contribution to the explanation of these phenomena. The basic premise of the theory is that over the past five centuries a capitalist world economic system has been established which has created division of labor on a global scale i.e. it has divided the world into bourgeoisie and proletariat nation-states. The theory posits that the political and economic context of a single nation-state cannot be scrutinized in isolation. The development and underdevelopment of a political entity and the economic gap between the rich and poor countries can be grasped comprehensively only when the concerns are viewed as part of one economic system and respective conditions and positions studied under this rubric.

Samir Amin, one of the principal theorists of the World System and Dependency theory, traces the origin of the capitalist world economic system in history (1976, p.57-58). He explicates that capitalism was born in Europe around the 16th and 17th centuries, and since then it has grown into the most dominant historical process with hardly any competing ideology or practice. Hout (1993, p.62-8) quotes at length from Gunder Frank to demarcate the three main phases of the development of this capitalist world system. The first phase was the mercantilist (1550-1770) during which agriculture and mining became commercialized and oriented towards Europe. The second phase of development was the industrialist-capitalist phase (1770-1870) and the imperialist one (1870-1930). During this period which commenced with European industrialization, the economies of the Americas, Asia, and Africa were gradually incorporated by Europe into the capitalist system. The period also confirmed the industrial specialization of Europe. Both these periods shaped the three continents into the periphery of capitalism with Europe as the core (Amin, 2006, p.103). The unequal distribution of means of production among nations which persists in the present-day world originated when the evolution of the capitalist world-system was augmented by the European colonial conquests. These conquests brought different social economies into contact but the capitalist center in Europe remained dominant. The third phase of the development of capitalism, termed as the neo-imperialist one, began around 1945 with the settlement of the United States of America as the chief capitalist and neo-imperialist center of power.

According to Amin's investigation, the capitalist world system has some characteristic features the foremost of which is the polarizing tendency inherent to it (1992, p.7). The development of this one but unequal system led to the splitting up of the world into central, semi-peripheral and peripheral economies; all of which are bound together in a relationship of inequality. Within this system, the core developed countries of the West/North are termed as a metropolis and the underdeveloped nation-states on the periphery are labeled as satellites. The current North/South, West/East dichotomy and economic division has been the result of this polarization created by the capitalist expansion of the last five hundred years in which the core has always been dictating and exploiting the periphery (Amin, 2006, p. 12).

Monopolization of various kinds has been another permanent trait of the world capitalist system. Hout (1993, p.59) elaborates that during the industrialist-imperialist phase of capitalism, the production of manufactured goods was monopolized on by the industries of the center. The satellite economies were incorporated into the market economy on condition that they export cheap primary products and keep on importing expensive manufactured goods. This monopoly on manufactured products proved a hindrance to the equalization of profit. The current technological gap between the center and periphery has been the inevitable consequence of the disparities created during the imperialist-capitalist phase. The deindustrialization of the Third World created a divide aggravated by the subsequent trade and industry monopolies of the developed nations.

The postcolonial nation-states were founded by the bourgeois nationalists and framed according to the capitalist mode of production within this international division of labor. According to Amin, the previously colonized and presently peripheral economies have three features in common among them: the dominance of agrarian capitalism and landed oligarchy, the emergence of a weak local bourgeoisie in the face of dominant foreign capital and an ever-expanding bureaucratic structure. Due to agrarian capitalism, peasants

lose access to land and since indigenous industries are few and underdeveloped, proletarianization and unemployment are always on the rise (1976, p.333-45, 2006). The extravert orientation of peripheral economies leads to insufficient endogenous growth unable to fulfill national consumption needs or generate adequate employment. The accumulation of local surplus is curtailed and always remains deficient even for investments and the acquisition of essential imports, thus leading to debt circles and the payment of interest on them (Amin, 1976, p.200 -345).

Shifting attention to contemporary global interconnectivity, Amin pinpoints that expansion has been intrinsic to the capitalist world system and the current globalization is the latest phase of this growth. The existing international interlinking has been the consequence of the extraction of higher rates of profit from the peripheral countries by the capitalist center. He views the current so-called globalized era to be distinguished by two major developments in the world capitalist system: the establishment of transnational corporations and a technological revolution which concentrates in these corporations (1976, p.189-200). The advanced centers of capitalism (Euro-America) specialize in the grey matter, atomic power, space research, electronics, etc. and this technological domination has become the latest source of surplus for the center. The concentration of skilled labor and capital in the global conglomerates add to their economic power which interpenetrates the political world as well (Amin, 2008, p.48). Political establishments in the periphery guard their interests by adapting to the free trade market scriptures. Hout states that the latest agents of neo-liberalism and neo-imperialism are the global enterprises led by the capitalists of the center since these formulate the global monetary system; control the flow of capital; create tax havens and manage the capital invested in debts to be circulated to the Third World (p.62).

Amin recommends that the nature of contemporary globalization must be critically analyzed before accepting it as a historical development taking place on its own (2006, p.5). In his perspective, the present globalization within the capitalist world system is highly asymmetrical, exacerbating global polarization through neo-imperialism. The fact is that only the capital of capitalists (both of the center and periphery) invested in the global firms has been globalized and the world is run by a supra-state executive i.e. the wealthiest merchants and financiers (1976, p.79, 2006, p.122-155, 2008, p.15). As far as the underdeveloped countries are concerned, current interconnectivity does not bring the amelioration of the destitute conditions; it only perpetuates exploitation and impoverishment.

Lazarus and Varma (2008, p.310) posit the stance that the years from 1970 onward have been marked by the global assertion of US political hegemony. Arrighi (2004, p.21-42) also validates the fact that in the last half-century, trade liberalization has benefited nothing compared to the globally planted US corporations with increasing economic and political power enabling these to manipulate national economies. Amin wraps up the inquiry by encapsulating that Twenty-First century is the era of American neo-imperialism and its unilateral capital (1976, p. 189). The U.S is viewed as the military defender of the common capitalistic interests of the North, The current neoliberal globalization is militarized and imposed upon the masses from above under the auspices of the U.S, NATO (North Atlantic Treaty Organization) and G8 (Group of Eight). (2006, p. 129-131, 2008, p.15). In his opinion, it is imperative to unearth and critically investigate the bond between neo-liberalism and neo-imperialism in order to break up the mechanism and transcend both

(Amin, 2008, p.18-24). Therefore, the existent undemocratic globalization needs to be replaced with a negotiated globalization which is polycentric, post-capitalist and equal for all in the real sense of the term (1976, p.79, 2006, p.122-155, 2008, p.15).

Neo-imperialist, Neoliberal Globalization in *A Banker for All Seasons*

Post-Independence fiction by Pakistani English writers displays a keen awareness of the political economy of the country functioning under the collusive exploitative mechanism of American neo-imperialism, global capitalism and the comprador character of the national bourgeoisie which perpetuate the peripheral, dependent and underdeveloped status of the postcolonial nation-state. The play *A Banker for All Seasons* by Tariq Ali (2008) is based upon characters and events taken from real life and molded into dramatic literary form. The action of the play spans over a period of two decades i.e.1970-1990 and covers significant events beginning with the rise of BCCI (Bank of Credit and Commerce International) to global stature and concluding with the collapse of the bank in 1991. Agha Hasan Abedi, the founder of the first Third World global bank BCCI, acts as the larger than life protagonist of the play. The play's unadorned delineation of millions of people losing their hard-earned deposits to the scheming of an unregulated global bank constituted by the capitalists across the globe and facilitated by global neoliberal policies drive the point home that the elemental structure of current globalization is inequitable and exploitative in essence.

The story of Agha Hasan Abedi, the founder of Bank of Credit and Commerce International or "Bank of Crooks and Criminals Incorporated" as its employees called it, begins against the peripheral and neo-colonial Pakistani backdrop. *A Banker for All Seasons* traces that Abedi's father was a *munshi* or steward to the estate of a Muslim *Raja* (state ruler) in the north of India. After the partition of the Indian subcontinent, the Raja migrated to Pakistan and Abedi accompanied him. The Raja soon secured for Abedi a job in one of the banks in the new-found state of Pakistan i.e. Habib Bank Limited and the event points to the fact that the landed oligarchy maintained its influential role even in the post-independence milieu (Ali, 2008, p.78-87). The fact has been highlighted by Amin in the theoretical discussion as one of the four common features of peripheral economies with predominantly agrarian societies.

Walker (p. 2-10) informs that Abedi was an astute and ambitious banker who, soon after migration to Pakistan, founded another bank titled United Bank Limited (UBL) and shot to the position of its president. His outlook on and plan for banking was noticeable at the beginning of his career in United Bank Limited. He introduced innovations into the banking system like the provision of personal services, establishment of links with the industry and expansion of the bank's services globally. Under his supervision, UBL turned into the second largest bank of Pakistan. Abedi showed remarkable foresight as well by cultivating close financial ties with the Muslim countries in the Persian Gulf, particularly the United Arab Emirates. He rightly anticipated that the booming oil economies and the ensuing petrodollars could boost the private sector in Pakistan. Consequently, the president of UAE (United Arab Emirates) Sheikh Zayed bin Sultan Al Nahyan was wooed into becoming patron to and chief investor in BCCI (p.94-99).

Walker (2000) also verifies Ali's literary delineation of Abedi's pro-globalization and pro-privatization mindset right at the dawn of his banking career. Abedi planned to globalize UBL and relocate it outside Pakistan in the early 1970s due to the volatile

political situation in the country and the subsequent partition of East Pakistan, now Bangladesh. Zulfiqar Ali Bhutto intended to nationalize institutions and suspected Abedi's moves when he assumed office as president in 1971. Bhutto charged him with being a CIA (Central Intelligence Agency) agent and put him under house arrest. Abedi's support for the US-led global capitalism, spurred by the ulterior motive of multiplying his own wealth, aroused the suspicion and as his character in the drama unfolds, Bhutto's suspicion of his involvement with CIA proves not to be ill-founded (p.199).

A Banker for All Seasons testifies to Abedi's links with the United States through the character of Mr. Henry Shaft, a former member of CIA. When Amanda, a reporter for *The Financial Times* on the BCCI scam, inquires Shaft concerning the formation of BCCI and the role Abedi played in it; his responses are illuminating. He apprises Amanda that America was extremely annoyed with Bhutto's rise to the premiership in Pakistan and his plans for nationalization. He communicates: "When Bhutto came to power, he tried to play games. Nationalized the banks. Played footsie with the Chinese and the Russians. Hated us. That was when I met Abedi and put him on the payroll" (p.198). The interests of the Empire and the Third World banker ran parallel. Nationalization was a sore point with Abedi as he aimed to found a bank which extended globally out of the bounds of restrictive regulations of the state. The Washington Consensus also dictated a world market free of nationalist welfare agendas, thus open to American multinationals and their monopoly. Shaft, therefore, put forth the proposal to Abedi in unequivocal terms: "is it possible to set up a truly multinational bank? Responsible to nobody but its shareholders? Secure from the prying eyes of any state, including mine?"(p.153).

The play depicts that BCCI was founded in 1972 in Karachi with the help of what Ali terms as one of the "continental relays" of US: the Saudi Arabian monarchy (1983, p.126). The narrative conveys that when Abedi was an employee of HBL, he had misused his position to help Kamal Adham get a two and a half million dollar loan from the bank for the acquisition of shares in BCCI (p.113-15). Kamal Adham was the main agent of CIA in Gulf, and as per plan charted out by Shaft, Adham and Abedi; Adham was transformed into one of the founders of BCCI. BCCI was inaugurated in Europe with a branch in Luxembourg which, according to Walker (p. 2-10), is notorious for its low regulation. Ali discusses in Appendix A to the play that BCCI shifted its center to other audits and deregulated place i.e. the Cayman Islands in late 1980s. The ICIC (International Credit and Investment Company) of Cayman firms became the largest shareholder in BCCI.

Within the national context, the play reveals that Abedi built ties with the comprador bureaucratic oligarchy and the military regime of General Zia-ul-Haq. During the play, the character of Abedi clinches his standing in relation to the top brass in government tersely: "I own the cabinet and the army" (p.171). The "Metropolitan bourgeoisie", the nomenclature Alavi uses for the capitalists of the center (1971, p.304), played its own iniquitous part in the murky business. Through CIA's brokerage, the Bank of America had helped found BCCI by buying 25% of its shares. The investigation of Kamal Adham carried out by the District Attorney of New York reveals that a group of American ex-presidents, ex-generals, politicians and CIA officials effectuated the job of making inroads into the American banking system for Abedi and Adham (p.165-81). A bank holding Company titled First American Bankshares was instituted in Washington with a renowned politician and a government servant as Chairman and member of the board respectively. These publicly respected politicians, senators, and congressmen piled their accounts and

shares in the First American and, by earning credibility for the venture, served as front men for BCCI. Their names brought in the money of the public in general who suffered losses while the richest secured their capital and surplus.

In scene 145 of the play Shaft elaborates that the global political backdrop of the late 1970s added to the operational significance of BCCI for America (p.200-203). The biggest American ally in the Persian Gulf, the Shah of Iran lost power, and in Latin America, the world witnessed the resurgence of revolutionary movements inaugurating with the fall of Nicaragua to Sandinistas. With the strategic need to keep China and Soviet Union under surveillance, the Gulf States became central to the New World Order. BCCI's links with the satrapies of Pakistan and the Gulf added to the expediency of the tool (p.199-210). The so-called Third World global bank BCCI made things very convenient for the Empire since details concerning money deposits, the sources and destinations of it were kept secret. The whole process went unregulated and unmonitored as BCCI effectively evaded regulators everywhere. BCCI not only aided in money laundering and the circulation of black money for clandestine political operations but also facilitated the establishment of American technological services in the Gulf States.

The credit of BCCI's entry into England is given by Shaft to the adoption of neoliberal policies by Margaret Thatcher (p.199-200). BCCI could not obtain a license as a recognized bank in England because its documents were insufficient and sketchy according to the law. However, it managed to operate in London as a "licensed deposit taker" (p.233). BCCI did transactions with banks and finance ministries in England yet its documents were always kept confidential. Abedi paid off influential people on all levels declaring; "we have unofficial employees in the Bank of England" (p.135). *A Banker for All Seasons* paints in detail the mental agony, social harassment and subsequent suicide of David Morton, the chief officer of Labor Council in Newcastle, England. Just a few days before the collapse of BCCI world over and its closure by the Bank of England, David deposits ten million out of the taxpayers' money in the bank at the behest of his colleagues. He is unable to cope with the moral shame the deed brings along and the injustice he metes out to the poor and unemployed in his area.

In order to develop credence and links, Abedi plays the Islamic and the Third World cards. BCCI exudes the image of radical politics and sympathies with the underprivileged. It becomes the first Third World global bank founding the Third world foundation. Within Pakistan and the Arab world, the mask of religion helps him build allegiances. In the play, Abedi's manner and terminology both have a mystic strain. He tells his employees that "the bank was protected by the divine power and he was Allah's banker" (p.3-4). With these slogans, he develops a cult that paves the way for the bank's favored status with the Muslim depositors. The self-proclaimed Allah's banker establishes the bank to steal money from his clients. The divine and cosmic vision he boasts of turns out to be the logic of capital as billions of dollars are paid to the elite shareholders.

The play opens with BCCI at its pinnacle and Abedi's pictures with politicians and rulers displayed in all offices of the bank. The branches of the bank operate in 73 countries, have over 400 branches and claim assets of 25 billion US dollars employing 14000 people (p.3-4). It has brokers all over the world who bring in large accounts for huge commissions (p.63). The play ends when BCCI collapses in 1991 and becomes the center of a global financial scam with involvement in all kinds of illegal activities. The District Attorney office New York indicts BCCI and four of its subsidiaries for engaging in defrauding of

billions of dollars, six of BCCI men for criminal conduct and its two originators Abedi and Naqvi for scheming the fraud (p.42). But the regulators in London let Abedi and Naqvi escape with pieces of evidence and documents (p.177-179). At the end of the play, Amanda herself is killed by unknown men for getting to know too much about the BCCI scam and the names involved in it. Shortly before her death, she remarks to a reporter that they will never get complete details of the scam because the top politicians of the five continents are involved. When the News Editor on *The Financial Times* inquires of Amanda if Abedi was the cornerstone of the BCCI operation or just the nominal head; her response is quintessential of the whole BCCI affair:

..... But there were others in positions of real power. Here and in the States. They kept him going. Without Washington and London, the balloon would have burst years ago. ...We will never find out here. Oh yes, there will be a public inquiry. Knuckles will be rapped. The Governor of the Bank of England is made to feel slightly uneasy. Full stop. The End. Thank God for America. (p.141)

Conclusion

A detailed discussion of the character of Agha Hasan Abedi as delineated in *A Banker for All Seasons* confirms that Tariq Ali's fiction displays a profound and critical understanding of global politics and economy in relation to their impact on the underdeveloped context of the postcolonial Third World in general and Pakistan in particular. The analysis meets the first research question by establishing that the play contributes immensely to an understanding of current globalization being orientated only towards the free mobility of capital and the benefit of the capitalists. This fictional version of reality demonstrates incontrovertibly that the head of the core capitalist economies i.e. the new American empire is at the center of this exploitation of the peripheral nation-states through the neoliberal measures of privatization and deregulation imposed by global monetary organizations. The second inquiry concerning the distinctive attributes of the core and peripheral economies and the exploitative link between them has also been resolved by investigation into the nature of the capitalist system and the persistent industrial, trade and technology monopoly of the North sustaining dependency and underdevelopment in the neo-colonized states. The coterie of local bourgeoisie motivated solely by self-interest, of which Agha Hasan Abedi forms part, is proven to be disserving both national interests and the welfare of the majority by playing into the hands of the neo-imperial power. The bottom line of the play is that the current asymmetrical globalization generated by neo-liberalism and neo-imperialism needs to be challenged and replaced by one which is post-capitalist, polycentric and equitable and for all states and all people. In the case of BCCI, too little was done and too late.

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