



Research Article

# Multinational Corporations and the New Scramble for Africa: Neocolonial Patterns in the Quest for Global Market Expansion

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## ABSTRACT

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This research examines how multinational corporations (MNCs) have contributed to the reproduction of neocolonial formations in Africa, with a focus on how these patterns of colonialism have been reproduced using the process of economic domination, resource abduction and political pressure. These are the main aims to critically evaluate the implications of MNCs on African sovereignty and development pathways and to explore the currents of local resistance and policy contingencies. The study uses a qualitative methodological framework, and it builds on case studies in Nigeria, Democratic Republic of the Congo, and Ethiopia, where it examines documents and secondary data. Theoretical scaffolding is based on postcolonial and dependency paradigms, which highlight structural injustice of colonial antecedents and perpetuated by modern global capitalist systems. The importance of the study is in the fact that it contributes to a deeper analysis of the socio-economic and political influence of MNCs in the context of the globalization process, both predicting the counter-strategies and reforms. Significant evidence reveals the misuse of weak regulatory frameworks by MNCs which leads to environmental degradation, labour violations and displacement of the community hence compromising the sustainability of development. The protests of indigenous people, legal obstacles, and pan-African programs including the African Continental Free Trade Area (AfCFTA) are all examples of the growing movements to reclaim economic sovereignty. However, gaps exist in the research on assessment of the long-term consequences on institutional capacity and community resilience. The research study finds that without strong mechanisms of governance and clear policies that are established and implemented, MNC dominance will continue to reinforce inequality and dependency. Some of the proposals include strengthening regulatory frameworks, supporting transparency, economic models that are community-based, and Pan-African economic integration as a means of achieving equitable development.

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## Introduction

In the modern world economic system, the multinational corporations have significant power, which they often use in changing political and economic landscapes of developing nations like Africa. The rich continent with its natural resources and growing markets has developed into a strategic hub of many international corporate bodies. This paper questions the processes through which MNCs perpetuate neocolonial forms in the name of globalization and market expansion, evaluating the consequences of sovereignty, development and resistance by aboriginal people.

Colonialism is a dark and inseparable part of the African historical process that restructured the political and economic organizations in relation to the interests of European states. Colonialism created an exploitative paradigm according to which raw materials were taken off the continent and exported to be used in industrial growth elsewhere (Rodney, 1972). The decolonization wave that shook the mid-twentieth century

created formal independence, but failed to break the deep-rooted economic dependency it created through colonial domination.

During the post-colonial period, MNCs became the new players in the economic environment in Africa, replacing the colonial powers in most cases. These corporations dominate the Global North and irrationally benefit as African resources and markets are exploited by globalization and lax regulations (Fanon, 2004). MNCs reproduce colonial patterns of resource extraction and economic subordination through use of foreign direct investment, massive land acquisition, and control of major sectors of the economy, including mining, telecommunication and agriculture. Neocolonial relationships based on labour exploitation, environmental deterioration and manipulation of policies are often reflected in operational strategies. These organizations obtain favourable conditions with the African regimes bypassing local labour and environmental policies to make maximum profit (Ndikumana and Boyce, 2011). As a result, they develop monopolistic or oligopolistic ownership of

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industries that are vital in the development of the country, which increases economic dependency even further.

The study will add to the important discussion of neocolonialism, globalization, and African economies sovereignty. The questioning of the operations and effects of MNCs sheds some light on the unresolved legacies of colonialism in the political economy of the continent and creates a sense of urgency of structural change, fair trade policies, and valid development-based approaches based on African agency.

### Theory Theories postcolonial and dependency theories

The new scramble as seen by the revival of foreign corporate interest in Africa can be critically looked at through the Postcolonial Theory and Dependency Theory prism. These frameworks are irreplaceable in understanding the way MNCs recycle historical hierarchies and power relations in their pretense to globalization and development.

The Postcolonial Theory challenges the legacies of colonialism in political and economic systems of the previously colonised states. In this paradigm, MNCs are not dispassionate economic actors but act as a tool of neocolonialism making use of African resources and marginalising local agency (Said, 1978; Ashcroft, Griffiths, and Tiffin, 2007). This implies that the control of the West based corporations in the African markets particularly in the extractive industries and the agricultural sector in a way reflect the colonial period of extracting resources and contributes to the dependency on the world markets (Young, 2001). According to the postcolonial scholars, these patterns continue to promote Western hegemony and erode African sovereignty in making economic decisions.

Dependency Theory on the other hand accepts underdevelopment as a result of external economic domination. It proposes that MNCs, together with the local elite, perpetuate African periphery to the world capitalist economy by sucking out surplus values and inhibiting local industrialisation and self-sufficiency (Frank, 1967; Cardoso and Faletto, 1979). This theory describes how the power of MNCs to control key industries, including mining in the DRC or oil in Nigeria, helps the companies to flee capital and enhance inequality and limiting the ability of the continent to determine its own developmental path (Dos Santos, 1970).

Together, these theories help shed light on how MNCs have created a modern type of imperialism where economic tools, instead of political takeover, take over. Therefore, the increase of the African continent into the world markets, facilitated by the MNCs, reinforces and recreates the neocolonial ties of power.

### Literature Review

The study of multinational corporations in Africa is connected to the wider discussion of neocolonialism, globalization, and development. The writings of scholars on this topic include Kwame Nkrumah, Samir Amin, and Walter Rodney, who view operations of MNCs as contemporary versions of colonial exploitation. The most recent works of Naomi Klein and Noam Chomsky examine the influence of international capitalism and the corporate elite on policy-making and the economic reality in the Global South. According to parallel research on the resource curse and extractive capitalism, natural resource wealth is hardly a developmental advantage since in most instances it makes poverty, corruption, and foreign dependency the norm (Auty, 1993; Ross, 2004). This literature in totality enlightens the current arguments about the two-sided nature of MNCs as possible drivers of economic development and tools of exploitation and underdevelopment.

MNCs have a great power on the economical and political front in Africa. They control strategic areas economically,

repatriate large profits in their home countries of origin and crowd out local businesses (Amin, 1976). In the political front, their influence is seen through the hijacking of policy making processes in which governments are often influenced so as to serve the corporate interests at the expense of the populations, which is often enabled by the structural adjustment programmes and trade agreements that favor the foreign investors. This neocolonial nature of the relationship is further complemented by an imbalance of power where the African state is forced to balance its policies to the strategic interest of the MNCs in order to attract and retain foreign capital. The economic consequences are underdevelopment, precarious job and capital flight. States that have resources like the Democratic Republic of Congo or Nigeria are poor even when foreign investments in them are high because, in some part, they are exploitative and fail to integrate with local economies (Ziltener and Kunzler, 2013). Politically MNCs undermine democratic governance by promoting corruption, undermining state institutions, and shifting the priorities of development.

Regardless of these negative impacts, there has been an increasing opposition to the influence of MNCs in the continent. Corporate practices that are damaging to the local communities are increasingly questioned by civil society organisations, labour unions and grassroots movements. In addition to that, certain governments are reconsidering investment laws, renegotiating agreements and advancing local content laws to reclaim economic independence and equitable development (Obeng-Odoom, 2021).

### Historical Context

MNC domination in Africa can be dated back to the Berlin Conference of 1884-1885 that institutionalised the so-called Scramble of Africa. This was the period where European powers divided the continent with little consideration to the native governance system or economy, and put extractive regimes, whose objectives were to metropolis enrichment (Pakenham, 1991). The antecedents of this past of externally imposed economic structures contributed to modern day exploitative forms. With the independence, most African states were caught in the post-independence economic traps. Their non-diversified and underdeveloped economies were dependent on exports of raw-materials and foreign capital. The economic subjection therefore nullified political liberation and foreign corporations replaced the functions that colonial governments played (Rodney, 1972; Nkrumah, 1965).

The modern literature is still torn between the development and exploitation concept of MNCs. According to the proponents, MNCs provide the much-needed capital, technology and labor which trigger development in infrastructure and industry (Narula & Dunning, 2010). The critics respond that the exploitative aspect of MNC activities, namely the ability to repatriate profits, avoid taxes, damage the environment, and make little or no reinvestment in local economies, has continued to undermine sustainable development (Obeng-Odoom, 2021). International financial institutions (IFIs) like the World Bank and the International Monetary Fund (IMF) play the key role in this debate. These institutions have been encouraging liberalisation and privatisation policies that expose African markets to the domination of MNCs at the expense of autonomy of domestic policies (Stiglitz, 2002). This has entrenched a neo liberal economic system where the corporate interest usually override national development agendas.

### The New Scramble of Africa: Major Actors and Moves

Africa is the center of both global attention again in the twenty first century a phenomenon that is referred to as the new scramble of Africa. This is in contrast to the colonial conquest in the

nineteenth century where the major factors that were at play were the multinationals and rising powers that wanted to tap into the Africa ample resources, markets, and strategic infrastructures. The Global North MNCs (United States, the United Kingdom and France), as well as newer players such as China and India, have increased their investments and influence all over the continent, which is often disguised as development assistance, trade liberalisation and globalisation (Taylor, 2014). The actors use different economic and political tactics to amass power, take wealth and sustain influence in African states over a long period.

The most notable of MNCs that trade in Africa are Shell, Glencore, Unilever and a host of Chinese state-supported companies. Shell has enjoyed a hegemonic status in the oil-rich Niger Delta in Nigeria where its operations have led to environmental degradation, social instability and accusations of being involved in human rights violations (Okonta & Douglas, 2003). One of the key players in the Democratic Republic of Congo (DRC) is a Swiss multinational commodities trading and mining firm known as Glencore, which manages a large portion of cobalt and copper mining. Although Glencore has been bringing in billions of revenues, its operations have been accused of poor working conditions, dodging of taxation and encouraging local instability (Amnesty International, 2016). Unilever is a large British-Dutch consumer goods company with ample businesses in East Africa, having dominated food and household product markets and triggered criticism over wage pressure and supply-chain monopoly (Beresford, 2019). In the meantime, Chinese companies like China National Petroleum Corporation and China Railway Construction Corporation have swiftly widened their presence in African infrastructure and mining, frequently by bilateral state-to-state contracts in which no one is accountable or the local ecological regulations (Carmody, 2016).

### Economic Strategies

One of the common plans used by these companies is massive takeover of land, which is frequently referred to as land grabbing. This is where foreign firms get leases or titles to large areas of agricultural land often at the expense of local communities. These land transactions are not that receptive to local food security and often have agribusiness exports in mind (Cotula, 2013). MNCs in the mining industry control mining activities with little or no value addition to the local economy; the raw minerals are shipped to facilitate processing in other countries, denying the African economies the opportunity to industrialize and create job opportunities (Africa Progress Panel, 2013). Moreover, tax evasion is rife. MNCs do not fail to play the game of profit shifting, which involves the use of offshore tax havens and transfer pricing to reduce their taxes. This denies African governments of the important revenue to develop and compounds fiscal dependency (Ndikumana and Boyce, 2011).

### Political Influence

On top of economics, MNCs have significant political impact. These corporations influence the laws and regulatory capture in such a way that they tune the law and regulations to support foreign investment rather than domestic regulation. Corporate lobbying in certain countries has undermined or guaranteed good environmental and labour laws or favourable tax incentives and subsidies (Clapp and Fuchs, 2009). There are also claims of more direct intervention in political matters. Total and Bolloré which are French MNCs have also had relationships with political elites in Francophone Africa and are accused of supporting governments that advance corporate interests despite widespread opposition or at times of political instability (Smith, 2003). In the worst scenarios, there has been a case of corporate-supported coups and promotion of dictatorial regimes in which business interests were viewed to be at stake, which supports the argument

that MNCs are major players in perpetuating neocolonial power dynamics.

### Neocolonial Trends and Processes

Economic exploitation, especially through agreements on asymmetric trade, continues neocolonialism in Africa especially in favor of the industrialized economies at the expense of African states. Interestingly, the Economic Partnership Agreement (EPAs) concluded with the European Union oblige the African nations to open their markets to the foreign goods that are subsidised and, at the same time, restrict their ability to export goods (Nkrumah, 1965; UNCTAD, 2022). Furthermore, debt reliance and structural adjustment programmes (SAPs) dictated by the World Bank and International Monetary Fund (IMF) require African countries to privatize their assets, reduce social spending and deregulate their economic policies that are mostly in favour of foreign investors (Bond, 2023). Accordingly, such mechanisms entrench a self-reinforcing dependency process where African economies will persist in providing raw materials and will also import manufactured products of high value (Rodney, 2018).

The African labour exploitation is another object of interest in neocolonialism especially in the export processing zones (EPZs) where employees, mostly women, are exposed to low wages, hazardous working conditions and dispelling of collective bargaining (Mezzadri, 2022). As an example, the textile industries in Ethiopia and Kenya, which manufacture on behalf of world fashion houses, have continually been criticized as being involved in labour rights abuse (Clean Clothes Campaign, 2023). Another urgent problem is the forced displacement of the native population caused by the use of large areas of land in agriculture, mining, and construction of infrastructure. The eviction of pastoralist communities in Tanzania has been done at force, allowing the realization of commercial farming activities, which further worsened poverty and social instability (Sulle, 2021).

Other than economic and labour exploitation, neocolonialism also finds its expression in corporate based consumerism and homogenisation of culture. Africa has a media and retail industry dominated by western and Asian multinational corporations (MNCs), which encourages media consumption at the expense of local industries (Tomlinson, 2023). The cultural tastes are transformed by fast-food chains, international streaming services, and advertising agencies at the cost of native cultures (Thiong'o, 2021). This cultural imperialism strengthens the economic dependence by establishing markets of foreign products and putting out domestic creative and entrepreneurial eco systems (Mignolo, 2020).

### Case Studies

#### Oil and Gas: Nigeria and Total Energies

A good example of how the economic activities of multinational corporations like TotalEnergies are a perpetuation of neocolonialism is the Niger Delta in Nigeria. Being an influential force in the oil industry, TotalEnergies and other oil conglomerates have facilitated the extensive destruction of the environment: oil spills, gas flaring, and pipeline leaks have destroyed ecosystems, polluted water sources, and ruined livelihoods based on farming and fishing (Amnesty international, 2021). The absence of proper enforcement by the Nigerian regulatory agencies has facilitated a continued destruction of the environment without much corporate responsibility of these companies. The regulatory frameworks have been poorly enforced or are also affected by the oil lobby hence compromising their efficiency (Okonta & Douglas, 2003). With all the impacts that affect the local communities, they sometimes lack the legal or political strength to oppose the corporations or to seek significant compensation or remedies. This is the kind of overlap between



weak state capacity and corporate impunity that perpetuates exploitative models of resource extraction similar to those systems of resource exploitation in colonial times.

### **Mining: Glencore and Democratic Republic of Congo (DRC)**

Cobalt, one of the most important minerals in the modern technological world, such as electric-vehicle batteries, has some of the largest reserves in the Democratic Republic of Congo (DRC). The Swiss-based MNC, Glencore owns one of the largest mining concessions in the country and has been accused on several occasions of breaching labour-rights, environmental destruction, and unethical conduct. Among the most severe accusations, there is the employment of child labour in the artisanal mines that are related to the supply chains of Glencore ([Amnesty International, 2016](#)). It is reported that as young as seven years old children have been put into dangerous mining environments without any personal protective gear. In addition, the benefits of these extractive activities in the form of tangible benefits to the Congolese citizens are seldom realized. Rather, the bulk of profits is expatriated, as the local societies have poor working conditions, pollution, and social displacement ([Ndikumana and Boyce, 2011](#)). The case of Glencore as the leading mining company in the DRC is a good example of how the extraction led by corporations and under the veil of obscure contracts and inadequate state regulation recreates the economic dependency and exploitation patterns of the colonial era.

### **Agriculture: Ethiopia Land lease**

The other aspect of MNC-neocolonialism in Ethiopia is the large-scale agricultural land rentals to foreign investors. Since the early 2000s, Ethiopian government has given agribusinesses in other countries like India, Saudi Arabia, and China millions of hectares of fertile land under lease. Such land transactions often lead to the forced eviction of smallholder farmers and indigenous people who do not have formal land titles despite years of formal customary occupancy ([Makki, 2014](#)). In some places like Gambella, the communities were arbitrarily moved out without consultation and compensation to destabilize their food security and the traditional livelihoods ([Oakland Institute, 2011](#)). The government justifies these land grabs by citing the need to modernise and economic growth, but in reality, they favour export-based monocultures rather than the local food systems. Additionally, the promised employment and development of infrastructure have not mostly materialised, and asymmetrical power relations been still upheld between the foreign corporations and rural people. This situation highlights the role of modern agricultural investments as a dispossession instrument, which reflects historical trends of land dispossession in terms of colonialism.

### **Resistance and Alternatives**

#### **Local and Regional Resistance Movements**

In the rest of the African continent, grassroots resistance movements have developed to resist the supremacy of the multinational corporations and the neocolonialism that they propagate. The East African Crude Oil Pipeline (EACOP), which is a project of TotalEnergies and the China National Offshore Oil Corporation, has attracted attention in opposition to the campaign of the #StopEACOP in Uganda and Tanzania. To activists and local communities, the pipeline is threatening to wipe-out biodiversity, dislocate thousands of people and is a contributor to climate change, whilst having a limited local impact ([Banktrack, 2022](#)). In Nigeria, the same was shown where the Niger Delta oil communities have taken legal action against oil companies like Shell. In 2021, a historic Dutch court decision found Shell liable to oil spills in villages in Nigeria and ordered it to provide compensation and clean up, thus establishing a

precedent of holding MNCs accountable beyond their national boundaries ([Friends of the Earth Netherlands, 2021](#)). Such instances highlight why local society, equipped with the law and digital activism, is gaining more and more rights against corporate impunity.

African institutions have taken policy actions at continental level that are aimed to reduce exploitative activities by multinational corporations (MNCs) and enhance economic sovereignty. In this regard, the African Union (AU) and regional economic communities (including the Economic Community of West African States (ECOWAS) and the Southern African Development Community (SADC)) have come up with regulatory frameworks that emphasize on natural-resource governance, corporate responsibility and fair trade. The Africa Mining Vision (AMV) enacted by the AU in 2009 is one of the salient initiatives that are supposed to match the long-term national development goals, such as value addition and environmental sustainability, with mineral exploitation ([African Union, 2009](#)). Moreover, advocacy is increasing in favor of so-called beneficiation policies, in which local processing of raw materials is promoted and reliance on foreign-controlled value chains is reduced. Even though implementation is still uneven, these policy efforts demonstrate that a regional attempt is made to reestablish the agency in the global economic system.

#### **Alternative Economic Models**

Along with resistance, African thinkers and leaders are promoting systemic alternatives to neocolonial capitalism. The inauguration of the African Continental Free Trade Area (AfCFTA), in 2021 is a historic Pan-African project designed to promote intra-African trade, market convergence, and continental integration. Proponents view it as one of the avenues of decreasing dependence on Western markets and exports controlled by MNCs ([Songwe, 2021](#)). Alongside this, grassroots movements and development practitioners are advocating cooperative and community based economic models, which emphasize on social welfare other than profit. These models encompass the agricultural cooperatives, local credit unions and community owned enterprises which put economic activity in the cultural and ecological values ([Amin, 2010](#)). These initiatives, however, as the fringe of policy discussion, provide possible alternatives in which center African agency, self-reliance and sustainable development.

#### **Major Research Findings Discussion**

The facts have shown that multinational corporations (MNCs) have become the significant contributors to the continuation of neocolonial forms in Africa. MNCs have a very strong economic and political impact through the oil and gas industry, mining, and farming industries that replicate the colonization dynamics of exploitation. In the Niger Delta in Nigeria, TotalEnergies and similar organizations have been involved in massive destruction of the environment with minimal responsibility because of the ineffective institutions of regulation and the involvement of the states ([Amnesty International, 2021](#); [Okonta and Douglas, 2003](#)). The situation with Glencore and cobalt mining in the Democratic Republic of Congo (DRC) is that it is ethically questionable, as labor exploitation and child labour occur, and the revenues of this resource do not reach the local population ([Amnesty International, 2016](#); [Ndikumana and Boyce, 2011](#)). On the same note, land transactions in Ethiopia exemplify how foreign agribusiness influence displaces smallholder land farmers and local food systems ([Oakland Institute, 2011](#); [Makki, 2014](#)).

In these cases, one can see a common trend: MNCs conduct their activities in the manner that is oriented towards profit

extraction at the cost of social equity, environmental sustainability, and national development. This is enabled by the structural vulnerabilities of African systems of governance, such as regulatory capture, opaque contracts and lack of legal redress to the affected communities. In addition, MNCs have the political power to influence the policies of a country to their benefit which limits actual democratic demands and development planning (Clapp and Fuchs, 2009; Smith, 2003).

However, the results also highlight the development of resistance and different frames. Local actions like the campaign movement #StopEACOP and legal success over Shell depict the growing agency of local activists to challenge the injustice of corporations (Banktrack, 2022; Friends of the Earth Netherlands, 2021). Africa policy reactions, like the Africa Mining Vision and the AfCFTA, are significant moves to demand economic sovereignty, the principle of benefiting locally, and trade-in-Africa (African Union, 2009; Songwe, 2021). The growth of cooperative and community-based economic systems gives us the perspective of the local-oriented development based on the priorities of the local community and ecological equilibrium (Amin, 2010).

Overall, although MNCs still play a role in consolidating the neocolonial system in most aspects, the results show that Africa is not a victim of globalization. Instead, it is a place of struggle with other models of sovereignty, justice and sustainable development being actively created.

#### **Weaknesses in Literature Review**

Although the available literature contains important information on the contribution of MNCs to the post-colonial political economy of Africa, it has a number of notable gaps. To begin with, a significant part of the literature focuses on the sector-specific effects, e.g., oil in Nigeria or mining in the DRC, without providing a cross-sectoral analysis that would represent the systemic quality of MNC influence on the continent (Ndikumana and Boyce, 2011; Makki, 2014). This division makes it hard to understand how MNCs use interrelated sectors (finance, law, infrastructure, and trade) to strengthen neocolonial dependencies.

Second, despite the available wealth of literature on environmental degradation and labour exploitation by MNCs, little focus is put on the politics of avoiding responsibility (lobbying, regulatory capture, and international arbitration regimes) that allows such companies to escape (Clapp and Fuchs, 2009). Even in cases where local laws or human rights standards are breached, the role of global financial institutions and legal regimes (e.g., Investor-State Dispute Settlement systems) in protecting MNCs against domestic legal action is often underestimated in the literature.

Third, although newer research has been done on resistance movements, little is done to understand how local actors, especially women, youth and indigenous are theorising and organising around alternative models of development (Amin, 2010). Majority of the studies view resistance as a reactionary phenomenon instead of innovative political and economic thinking. Furthermore, there is a lack of empirical research assessing the efficacy of continental projects like the AfCFTA or the AMV when it comes to its implementation and influence on the reduction of corporate exploitation (Songwe, 2021; African Union, 2009).

Lastly, the state-centric approach to the topic of MNC activities is taken in most analyses, which overlooks the role of subnational governments, municipalities and community-based organisations in defining or resisting MNC activity. It is evident that more detailed and localized studies need to be provided on

how the power relationship between MNCs and African institutions is exercised at various governance levels.

It is vital that they will be addressed to establish a more comprehensive picture of how MNCs reproduce neocolonialism and be able to formulate viable alternatives in theory and practice.

#### **Summary, Conclusion and Recommendation.**

##### **Summary**

This paper will examine MNCs as modern-day neocolonialists of the African continent, specifically the oil and gas sector, the mining sector, and the agricultural sector. Empirical studies of TotalEnergies in Nigeria, Glencore in the Democratic Republic of Congo (DRC), and foreign agribusiness operations in Ethiopia indicate that the operations of corporations often lead to the degradation of the environment, labour exploitation, community displacement, and economic dependence. The facilitation of these outcomes is made possible by lax regulatory frameworks, shrouded contractual relations, and political complicity on the national and international levels (Amnesty International, 2021; Makki, 2014; Ndikumana and Boyce, 2011). However, the agency displayed by African communities and institutions manifests in the form of local resistance, transnational litigation, and continental policy, including the African Continental Free Trade Area (AfCFTA) and the Africa Mining Vision (AMV) that are all aimed at regaining economic sovereignty and pursue fairer development paths (African Union, 2009; Songwe, 2021).

##### **Conclusion**

The study concludes that MNCs have become deeply entrenched in the post-colonial African economic models, but MNC activities continue to follow colonial trends of exploitation, marginalisation, and disempowerment. These companies make super profits at the expense of exploring natural resources and contribute little in the long term development and reduction of poverty as well as investing in infrastructures. The power imbalance between MNCs and African states that is enhanced by global trade regimes and poor governance prevents corporate responsibility and congruence of foreign investment with national development goals. However, the growing strength of the resistance campaigns, the legal campaigns, and the Pan-African economic efforts are good indicators that the continent is on the move to break the neocolonial chains and establish independent and sustainable development patterns.

##### **Recommendations**

- The governments of Africa need to strengthen the capabilities of the national regulatory institutions to check and implement the environmental, labour and corporate accountability laws.
- The legal reforms must seal any loopholes that allow MNCs to go scot free especially in sectors that are likely to abuse like extractive industry and agribusiness.
- The governments and regional organisations must apply transparency in contract negotiation between MNCs governments and civil society organisations and the communities to which investments will be done should play a significant role in approving and guiding investment agreements.
- To ensure that African economies are less dependent on externalities, the African Union and regional economic communities should focus on the instalment of AfCFTA and AMV as important tools in strengthening value addition, local beneficiation, and less dependency among African economies.
- Cooperative and community-led business models that focus on the local needs and environmental sustainability should be incorporated into the national development plans.

- The African states should also cooperate to transform the global trade and investment regulations such as investing state dispute settlement (ISDS), which limits sovereignty of the states.

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