

## **Neoliberalism, Displacement Economics and the Privatization of Sovereignty: How Tax Havens Help the Rich Escape the State**

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This presentation will review neoliberal models of how economic development is assumed to progress as a consequence of globalisation in sub-Saharan Africa. It notes the absence of an adequate account of the critical role of tax havens within this model, and how these condition patterns of investment and capital accumulation. In this the very wealthy play a role as ‘high net worth individuals’ (HNWIs) and ‘permanent tourists’ (PTs), leaving their nation-states and joining a privatised international space. I will review how different economic paradigms analyse secrecy jurisdictions/tax havens, in the light of recent theoretical developments in theories of sovereignty and their importance to patterns of globalisation. There is a need for a political economy model for understanding the displacement of the upper echelons of African economies to ‘privatised jurisdictions’. Displacement economics provides a lead but requires development in order to move away from its past focus on the vulnerable and poor, to the privileged and rich. This intellectual effort could help explain why extracted volumes of commodities have increased exponentially from Africa and why it is home to a small class of ultra rich, while wealth per capita has stagnated, thus providing a revised structuralist explanation for the ‘development of underdevelopment’ thesis.